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ABSTRACT

This training guide for a one-day workshop provides an introduction to the William D. Ford Federal Direct Loan Program for administrative personnel at higher education institutions. The six sections of the guide, each corresponding to a workshop session, include activity sheets, questions for participants to answer, and space for notes. Following the introductory section, materials for Section 2 provides an overview of direct loan processing, including a definition of reconciliation and explanations of five direct loan functions. Section 3 covers managing cash balances. Section 4 outlines the monthly processing techniques which prepare for reconciliation. It covers best practices, reports and logs, and continuing cash balance management. Section 5 considers reconciliation and the Direct Loan School Account Statement, including the monthly reconciliation process and how to distinguish between the booked date and the acknowledgment date. Section 6 addresses the reconciliation process directly and covers cash summary activity, cash and loan detail, reconciliation tools and reports, maintaining monthly versus yearly cash balances, and closeout. Appendices provide summaries of the process and sample printouts of cash management and direct loan reports, as well as answers to selected exercises in the guide. (DB)

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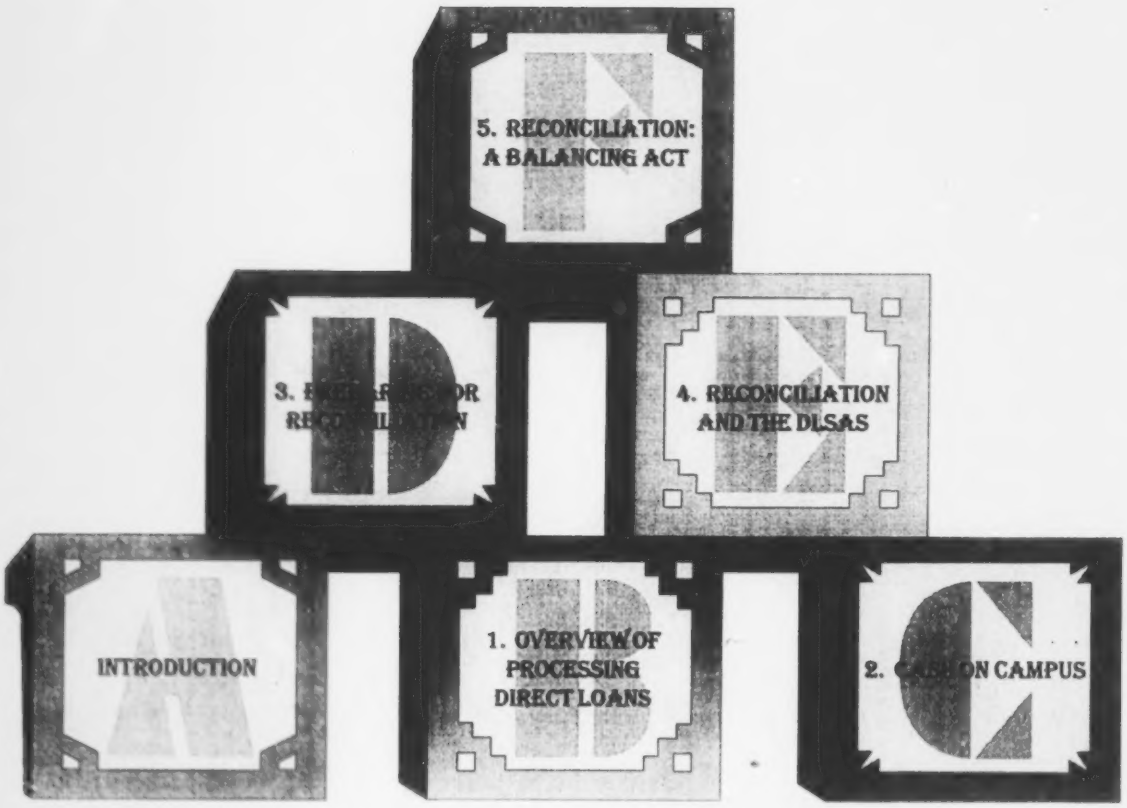
THE DIRECT LOAN RECONCILIATION GAME

ED 430 453


5. RECONCILIATION: A BALANCING ACT
4. RECONCILIATION AND THE DLSAS
INTRODUCTION
1. OVERVIEW OF PROCESSING DIRECT LOANS
2. ON CAMPUS

"Building a Better Reconciliation Process"

IE032044

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Appendix D. Answers to Selected Exercises

INTRO SESSION

INTRODUCTION TO THE DIRECT LOAN RECONCILIATION GAME

SESSION CONTENTS

Part 1. General Information

Part 2. Course Agenda

Part 3. Course Goal and Objectives

PART 1. GENERAL INFORMATION

- Introducing the instructors
- Housekeeping information

PART 2. COURSE AGENDA

The agenda is shown on the next page. You can pull out the agenda for reference during the workshop.

PART 3. COURSE GOAL AND OBJECTIVES

Course Goal: To understand basic concepts and gain the analytical skills necessary to reconcile your school's Direct Loan records with the Department of Education.

Course Objectives

You will:

- Define reconciliation as it applies to the Direct Loan Program.
- Identify and resolve discrepancies between your Business Office System, your Direct Loan System, and the Loan Origination Center's System.
- Identify the steps required to fully analyze your school's cash position with respect to the Direct Loan Program.
- Meet the Department of Education's monthly reconciliation requirements.
- Meet the Department of Education's yearly closeout requirements.

COURSE AGENDA

Introductory Session	
Session 1	**Overview of Processing Direct Loans**
Session 2	**Cash on Campus**
Break	
Session 3	**Preparing for Reconciliation: Techniques for the Processing Month**
Session 4	**Reconciliation and the DLSAS**
Lunch	
Session 4	**Reconciliation and the DLSAS (cont.)**
Break	
Session 5	**Reconciliation: A Balancing Act**

SESSION 1

OVERVIEW OF PROCESSING DIRECT LOANS

SESSION CONTENTS

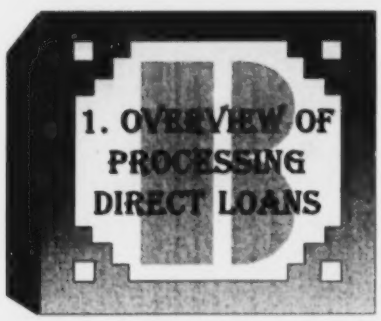
Part 1. Word Games: Definition of Reconciliation

Part 2. Activity: Go With the Flow

- Direct Loan Functions: The Big 5

Part 3. Relating Direct Loan Functions to Direct Loan Systems

- Direct Loan Systems: A Triangle
- Which Functions Occur in All Three Systems?



SESSION GOAL AND OBJECTIVES

Goal: To review Direct Loan processing so you will have a common starting point from which to learn more complex topics relating to reconciliation.

Objectives

You will:

- Define the term "reconciliation."
- Review the Direct Loan processing steps.
- Identify the three Direct Loan systems and five Direct Loan functions that are the foundation of reconciliation.

PART 1. WORD GAMES: DEFINITION OF RECONCILIATION

What does the term "reconciliation" mean to you?

NOTES:

PART 2. ACTIVITY: GO WITH THE FLOW

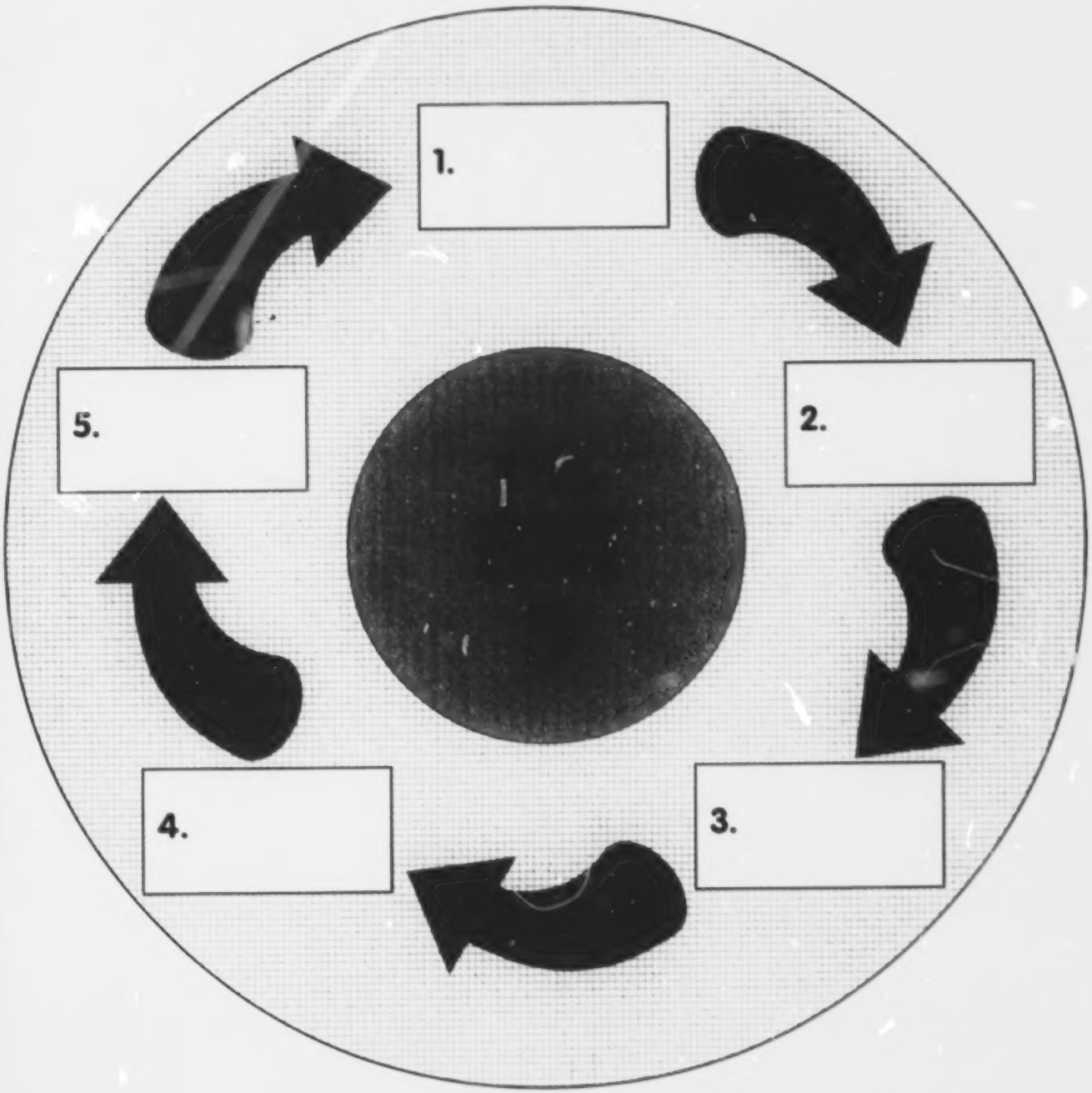
Instructions

Your President has an emergency meeting with the board in 10 minutes. The President needs to present to the board a high level outline of the Direct Loan process at your institution. The board needs to review this information because they are making decisions about purchasing a new computer system for the school and want to understand the scope of Direct Lending. This is a brainstorming activity. List as many Direct Loan processes as possible.

Key Points

- No Direct Loan function operates in a vacuum.
- Various activities have an impact on other offices and parts of the process.
- It is important to know the entire Direct Loan process from a strategic view.
- Learn new ideas from other teams and team members.

Direct Loan Functions: The Big 5



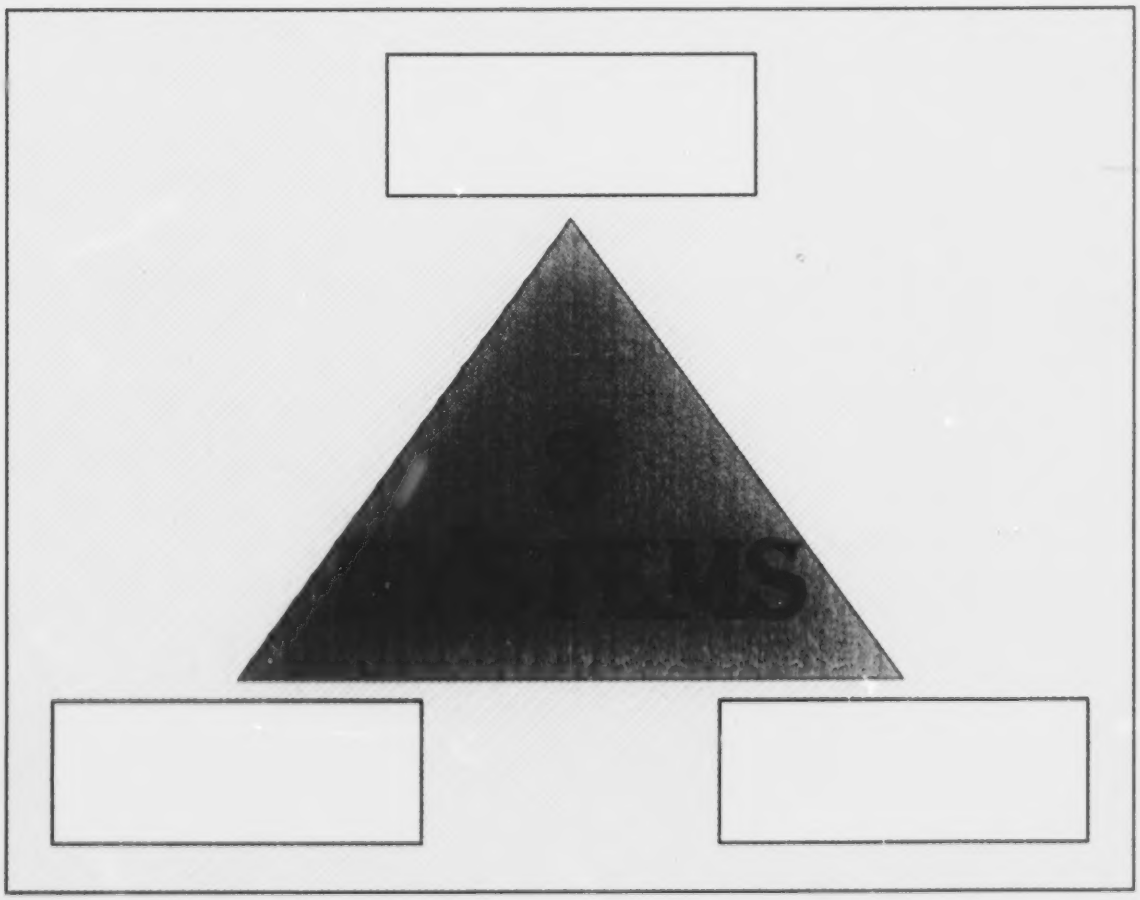
PART 3. RELATING DIRECT LOAN FUNCTIONS TO DIRECT LOAN SYSTEMS

Direct Loan Systems: A Triangle

What is a system? A system is a group of dependent processes that prepare or track related information. Systems can share or track related data with other systems but may or may not be dependent on them. A typical system consists of a database and a set of rules that applies to the data it contains.

Instructions

Enter the three major systems involved in Direct Loan processing in the boxes below.



Which Functions Occur in All Three Systems?

Instructions

Write the names of the three Direct Loan systems at the top of each column. Not all Direct Loan functions occur in each of these three systems. In the table below, cross out the function(s) that do **not** apply to each system.

Origination	Origination	Origination
Promissory Notes	Promissory Notes	Promissory Notes
Disbursements	Disbursements	Disbursements
Drawdowns/ Excess Cash	Drawdowns/ Excess Cash	Drawdowns/ Excess Cash
Reconciliation	Reconciliation	Reconciliation

There are some Direct Loan functions that occur in all the systems. Circle these functions in the table above.

Key Point

- Some schools have chosen to track drawdown and excess cash information in their School Direct Loan System but this is not required. Others track this only in their school Business Office records to avoid duplication of effort. You should choose whatever method works best for your school.

SESSION 2

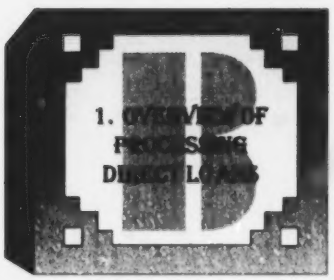
CASH ON CAMPUS

SESSION CONTENTS

Part 1. The Direct Loan Cash Equation: How Much is in the Bucket?

- The Cash Bucket Diagram
- Direct Loan Cash Equation

Part 2. The Cash Equation—The Challenge Begins



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SESSION GOAL AND OBJECTIVES

Goal: To understand the cash balance equation.

Objectives

You will:

- Identify cash transactions that increase or decrease the school's ending cash balance.
- Organize the separate types of cash transactions into a mathematical formula that represents the school's ending cash balance.

PART 1. THE DIRECT LOAN CASH EQUATION: HOW MUCH IS IN THE BUCKET?

The Cash Bucket Diagram

Instructions

In the blank boxes around the bucket diagram, fill in five types of cash transactions that affect a school's ending cash balance. Use arrows pointing **into** the bucket to illustrate transactions that **increase** a school's cash balance. Use arrows pointing **out of** the bucket to illustrate transactions that **decrease** a school's cash balance.

Write Your Own Equation

Instructions

Take these five types of cash transactions and arrange them into an equation that expresses your school's ending cash balance.

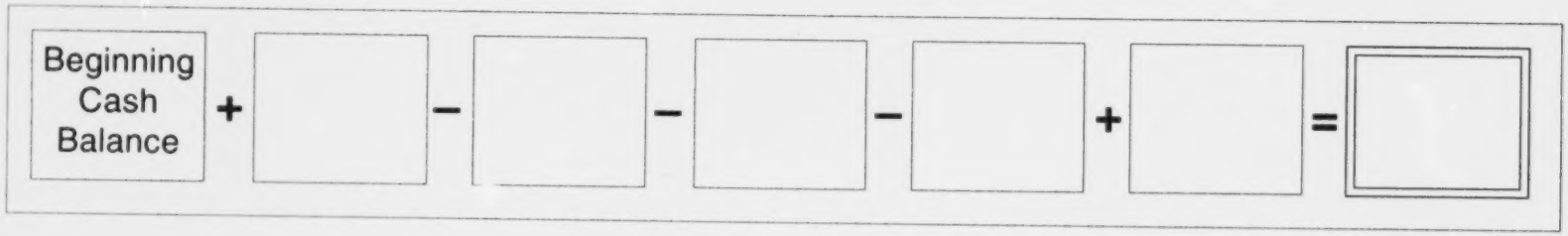
Key Point

- There are many different ways of expressing a formula to calculate your correct Direct Loan ending cash balance. All are equally valid, as long as they reflect the different components of the equation and result in the correct amount.

The Direct Loan Cash Equation

Instructions

Fill in the boxes below as the instructor builds a Direct Loan cash equation with you.



PART 2. THE CASH EQUATION—THE CHALLENGE BEGINS

You are the **Business Officer** at Disney Institute. You are starting the 1999-2000 academic year, so your beginning balance is $0.

- The Financial Aid Office sends you a list of eligible borrowers who have anticipated disbursements for a total amount of **$130,000** net. You credit these accounts on **9/1/99**.
- You receive another list indicating additional borrowers are eligible for Direct Loan disbursements. You credit these accounts on **9/7/99** for a total of **$7,500** net.
- You make a drawdown for the amount of **$137,500**. The funds are deposited on **9/15/99.**
- The Financial Aid Office sends you a list of eligible borrowers who have anticipated disbursements for a total amount of **$25,000** net. You credit these accounts on **9/21/99**.
- You receive another list indicating additional borrowers are eligible for Direct Loan disbursements. You credit these accounts on **9/26/99** for a total of **$25,000** net.
- Several borrowers withdraw on **9/28/99**. You make the downward adjustments to the borrowers' accounts for a total of **$5,000** net.
- You make a drawdown for the amount of **$50,000**. The funds are deposited on **9/30/99.**

Please fill in the worksheet on the following page to calculate totals for each of the different cash transactions.

BUSINESS OFFICE

DATES	DRAWDOWNS	RETURN OF EXCESS CASH	DISBURSEMENTS	ADJUSTMENTS
TOTALS				

Use the Direct Loan Cash Equation below to determine the ending cash balance for the Business Office.

	+		−		−		−		+		=	
Beginning Cash Balance		Drawdowns		Return of Excess Cash		Disbursements		Upward Adjustments		Downward Adjustments		Ending Cash Balance

App. B Cash Management

Appendix B contains information to assist you with your cash management practices. It includes the 120-day rule, disbursements, and idle and excess cash. The material will not be covered in this training, but please do not hesitate to ask your instructor any questions about it.

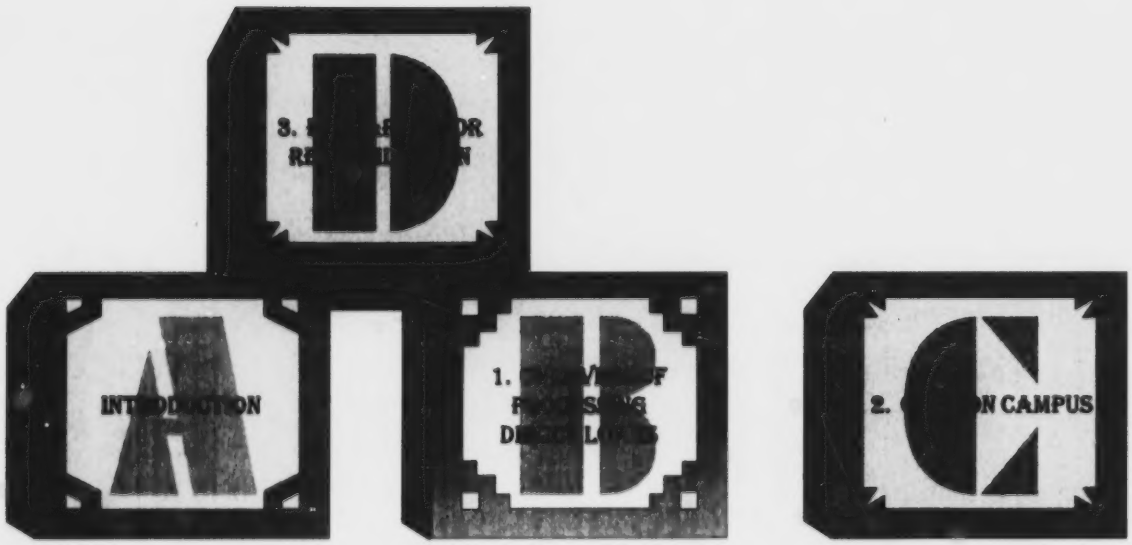
SESSION 3 PREPARING FOR RECONCILIATION: TECHNIQUES FOR THE PROCESSING MONTH

SESSION CONTENTS

Part 1. Best Practices

Part 2. Staying Current—Reports and Logs

Part 3. The Cash Equation—The Challenge Continues



SESSION GOAL AND OBJECTIVES

Goal: To understand how to stay current with Direct Loan processing during the month in order to minimize Direct Loan reconciliation discrepancies.

Objectives

You will:

- Learn about the best practices of other schools.
- Understand the purpose and scope of available tools to assist with monthly processing.
- Understand the need to internally reconcile.

PART 1. BEST PRACTICES

Key Point

- Best practices are things you do to make sure that your school's Direct Loan records are current and accurate within your Business Office and Direct Loan Systems. All ideas that improve processing, save time, increase accuracy, or help to identify problems have merit and should be considered.

Instructions

Discuss your school's best practices for staying current with your Direct Loan process. These "best practices" would be things you do to make sure that your school's Direct Loan records are current and accurate within your internal Business Office and Direct Loan Systems, and that the information has been received and processed by the LOC. Each member should suggest several examples of these practices that they utilize.

PART 2. STAYING CURRENT—REPORTS AND LOGS

ORGANIZE—FINISH WHAT YOU START	MONITOR YOUR CASH FLOW	PERFORM INTERNAL RECONCILIATION

ORGANIZE—FINISH WHAT YOU START (cont.)	MONITOR YOUR CASH FLOW (cont.)	PERFORM INTERNAL RECONCILIATION (cont.)

Please refer to Appendix C for example logs and reports that can assist your school in its monthly processing.

PART 3. THE CASH EQUATION—THE CHALLENGE CONTINUES

You are now working in the **Financial Aid Office** at Disney Institute. You are at the start of the 1999-2000 academic year, so you have a beginning balance of $0.

- You receive a list from the Business Office showing that a total of **$130,000** net was credited to borrowers' accounts on **9/1/99.** You update the Direct Loan System and export disbursements to the LOC.
- You receive a notice from the Business Office telling you to update the Direct Loan System with disbursements worth **$7,500** net. These disbursements were made on **9/7/99**. You complete this task and export these disbursements.
- The Business Office informs you that on **9/21/99** they credited Direct Loan accounts for a total of **$25,000** net. You enter this information on your system and send it to the LOC.
- You receive a list indicating that the Business Office disbursed a total of **$25,000** net on **9/26/99.** You update these accounts and report this to the LOC.
- You receive a disbursement acknowledgement on **9/28/99** indicating that **$25,000** net worth of disbursements were rejected because the disbursement date was prior to the 30-day delay for first-time borrowers.

Please fill in the worksheet below to calculate totals for each of the different cash transactions.

FINANCIAL AID OFFICE

DATES	DISBURSEMENTS	ADJUSTMENTS
TOTALS		

Use the Direct Loan Cash Equation below to determine the ending cash balance for the Financial Aid Office.

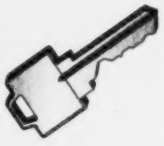
FINANCIAL AID OFFICE

	+	$187,500*	–	$0*	–		–		+		=	
Beginning Cash Balance		Drawdowns *from Business Office		Return of Excess Cash *from Business Office		Disbursements		Upward Adjustments		Downward Adjustments		Ending Cash Balance

BUSINESS OFFICE (from Challenge in Session 2)

$0	+	$187,500	–	$0	–	$187,500	–	$0	+	$5,000	=	$5,000
Beginning Cash Balance		Drawdowns		Return of Excess Cash		Disbursements		Upward Adjustments		Downward Adjustments		Ending Cash Balance

Please compare the balances in these equations and explain any differences. Also give any reasons for an ending cash balance.



Key Point

- You should be keeping documentation of your reconciliation efforts and discrepancies.

SESSION 4

RECONCILIATION AND THE DLSAS

SESSION CONTENTS

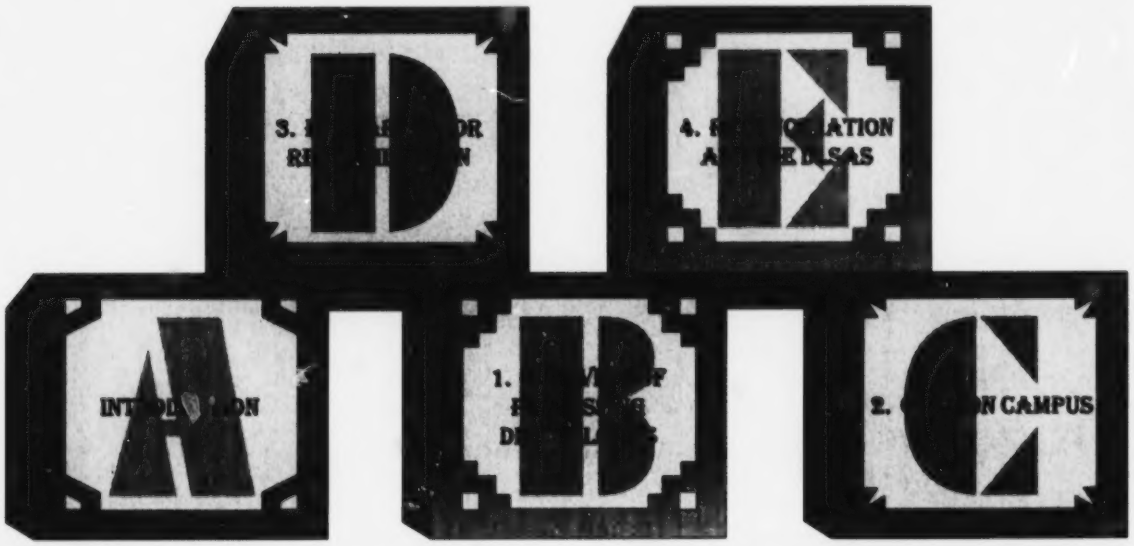
Part 1. The Cash Equation—The Final Challenge

Part 2. Triple Play—Your Monthly Reconciliation

Part 3. The Direct Loan School Account Statement—What is it?

Part 4. Booked Date vs. Acknowledgement Date

Part 5. The Definition of Reconciliation Revisited



SESSION GOAL AND OBJECTIVES

Goal: To provide a framework for analyzing the Direct Loan School Account Statement (DLSAS) and the school reconciliation process.

Objectives

You will:

- Understand the importance of performing monthly reconciliation between three systems.
- Practice reconciling the three systems.
- Identify the components of the DLSAS.
- Identify the difference between the disbursement transaction date and the booked date and how this impacts the DLSAS.
- State the Department of Education's definition of Direct Loan reconciliation.

PART 1. THE CASH EQUATION—THE FINAL CHALLENGE

You are now working at the LOC. Please read the information on the next page and follow the instructions.

Since this is the beginning of the award year for Disney Institute, the institute's account balance is reflected as $0 at the LOC.

- The LOC receives disbursements dated **9/1/99** from Disney Institute totaling **$130,000**. The LOC processes and acknowledges these disbursements as **booked** in September.
- The LOC receives another set of disbursements dated **9/7/99** worth **$7,500**. These are also booked within the same month.
- The LOC is notified by GAPS that Disney Institute drew funds on **9/15/99** for **$137,500**.
- The LOC receives disbursements totaling **$25,000** that occurred on **9/21/99**. These all book in September.
- The LOC receives disbursements for $25,000 that occurred on 9/26/99. These are all rejected because the school entered an incorrect disbursement date that was prior to the 30-day delay for first-time borrowers.
- The LOC is notified by GAPS that Disney Institute drew funds on **9/30/99** for **$50,000**.

Please use the worksheet below to calculate the totals for each of the different cash transactions.

LOAN ORIGINATION CENTER

DATES	DRAWDOWNS	RETURN OF EXCESS CASH	DISBURSEMENTS	ADJUSTMENTS
TOTALS				

Use the Direct Loan Cash Equation below to determine Disney Institute's ending cash balance as calculated by the LOC.

LOAN ORIGINATION CENTER

	+		−		−		−		+		=	
Beginning Cash Balance		Drawdowns		Return of Excess Cash		Disbursements		Upward Adjustments		Downward Adjustments		Ending Cash Balance

FINANCIAL AID OFFICE (from Challenge in Session 3)

$0	+	$187,500*	−	$0*	−	$187,500	−	$0	+	$0	=	$0
Beginning Cash Balance		Drawdowns *from Business Office		Return of Excess Cash *from Business Office		Disbursements		Upward Adjustments		Downward Adjustments		Ending Cash Balance

BUSINESS OFFICE (from Challenge in Session 2)

$0	+	$187,500	−	$0	−	$187,500	−	$0	+	$5,000	=	$5,000
Beginning Cash Balance		Drawdowns		Return of Excess Cash		Disbursements		Upward Adjustments		Downward Adjustments		Ending Cash Balance

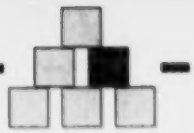
Please compare the balances of all three equations and explain any differences. Also give any reasons for an ending cash balance.

PART 2. TRIPLE PLAY—YOUR MONTHLY RECONCILIATION

This is an interactive game that illustrates the three-way compare used for reconciling a school's Direct Loan funds. You will practice calculating a school's monthly ending cash balance and understand the effects of various transactions on a school's cash balance in each of the three systems.

Please turn to the appendix titled "Playing the Game" for instructions and materials for this activity. Additional materials will be provided by your instructor.

NOTES:



Wrap Up

1. Why did some of the groups come up with different answers?

2. Did you find discrepancies between your systems during reconciliation? What were they and how did you resolve them?

3. What did you learn about the interaction and communication between key entities in the Direct Loan process?

4. How would the process be different for different types of schools—Option 1 or Standard Origination, mainframe or custom, etc.?

PART 3. THE DIRECT LOAN SCHOOL ACCOUNT STATEMENT—WHAT IS IT?

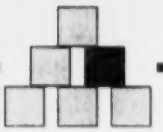
What is the Direct Loan School Account Statement?

Each month the LOC will send schools participating in the Direct Loan Program an electronic file called the Direct Loan School Account Statement (DLSAS). This file contains information from the LOC that will assist the school in its reconciliation efforts.

When and how will my school receive the DLSAS?

- The DLSAS will be sent using the Message Class **DSAS00OP** and a Batch type of **AS**.
- The DLSAS will be generated each month by the LOC. It will be sent on the first weekend of each month with data for the prior month's transactions.
- This electronic file may be imported and formatted to look very similar to a bank statement.
- A separate DLSAS will be sent for each academic year that the school participates in the Direct Loan Program, until that academic year is closed out as directed by ED. It is possible that up to three academic years may be open at one time, so a school may receive as many as three statements for a given month.

NOTES:



What three major components make up the DLSAS?

1. _____

2. _____

3. _____

DLSAS Cash Summary

Report Date: 09/17/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 10:26:58 1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
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BATCH ID : AS0G9999919990910113421
LOC Process Date: 09/10/1999

School Code: G99999
Month End: 08/31/1999

CASH SUMMARY

Beginning Balance:			$	1,000
Cash Receipts:	$	10,000		
Excess Cash Returned:	$	600		
Total Cash Receipts			$	9,400
Net Booked Disb. Actual:	$	5,040		
Net Booked Disb. Adjustments:	$	-200		
Total Net Booked Loan Detail			$	4,840
Ending Cash Balance:			$	5,560
Net Unbooked Disb. Actual:	$	1,440		
Net Unbooked Disb. Adjustments:	$	-120		
Total Net Unbooked Loan Detail			$	1,320
Adjusted Ending Cash Balance:			$	4,240

******

The LOC's Ending Cash Balance represents the Department's official cash balance for your school at the end of the current month. This ending cash balance from the LOC's records will be used by the Department to monitor the cash activity and balances at your school. If your records do not agree, please notify your Customer Service Representative IMMEDIATELY.

DLSAS Cash Summary—Things to Remember

Key Point

- Schools will always receive the Cash Summary information with their monthly DLSAS.

- At the beginning of each academic year, a school will start with a zero cash balance at the LOC. For each subsequent month, the beginning balance will be the ending balance from the previous month.
- ED's Grant Administration and Payment System (GAPS) reports drawdown information to the LOC.
- Drawdowns are included in the statement for the month in which GAPS **transmitted** the drawdown information to the LOC.
- Returns of excess cash will only be included on a particular month's report if they were **received** by the LOC in that month.
- The "Net Booked Disb. Actual" and "Net Booked Disb. Adjustments" are totals of all transactions acknowledged as **booked** by the LOC during the month.
- The Ending Cash Balance indicates the cash balance at the end of each month for all the cash transactions and booked disbursement transactions.
- All unbooked transactions are records for which the LOC has accepted disbursements or adjustments but does not have accepted promissory notes.
- The unbooked information in the Cash Summary will include all cumulative unbooked transactions through the end date of the DLSAS. Option 2 schools should be the only schools that show any totals in this section.

NOTES:

DLSAS Cash Detail

Report Date: 09/17/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 2
Report Time: 10:26:58 1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
****

BATCH ID : AS0G9999919990910113421
LOC Process Date: 09/10/1999

School Code: G99999
Month End: 08/31/1999

CASH DETAIL RECORDS FOR THIS MONTH

TRANS TYPE	DATE	AMOUNT	GAPS CONTROL #	CHECK #
Cash Receipt	08/10/1999	$ 6,000	9876543211234	
Cash Receipt	08/31/1999	$ 4,000	9876543214321	
Excess Cash	08/18/1999	$ 600		123456

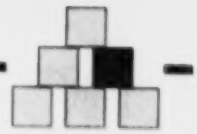
DLSAS Cash Detail—Things to Remember

Key Point

- The Cash Detail is always included in the DLSAS.

- The Cash Detail provides a detailed listing of drawdown and excess cash transactions within the report month.
- The LOC obtains detailed drawdown information directly from GAPS.
- The LOC obtains excess cash information from its records of funds received from the school.
- Drawdowns are included in the DLSAS for the month in which GAPS transmitted the information to the LOC.
- Excess cash is included in the DLSAS for the month in which the funds were received at the LOC.
- *New*—GAPS control numbers and check numbers are included on the DLSAS this year to help track information.

NOTES:



DLSAS Loan Detail

Report Date: 09/17/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 3
Report Time: 10:26:58 1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

BATCH ID : AS0G99999199909101134 21
LOC Process Date: 09/10/1999
School Code: G99999
Month End: 08/31/1999
LOAN DETAIL RECORDS

BORROWER'S NAME / LOAN ID	DISB#/TYPE / SEQ#/DATE	LOC AMOUNT	STATUS	BOOKED DATE
Washington, George	1 D		BOOKED	08/20/1999
111111111S00G99999001	08/15/1999	$ 1500	GROSS	
		$ 60	FEE	
		$ 1440	NET	
		$ 0	NET ADJUSTMENT	
Washington, George	1 D		BOOKED	08/20/1999
111111111U00G99999001	08/15/1999	$ 1000	GROSS	
		$ 40	FEE	
		$ 960	NET	
		$ 0	NET ADJUSTMENT	
Washington, Martha	1 D		BOOKED	08/20/1999
111112222S00G99999001	08/15/1999	$ 1500	GROSS	
		$ 60	FEE	
		$ 1440	NET	
		$ 0	NET ADJUSTMENT	
Washington, Martha	1 D		BOOKED	08/20/1999
111112222U00G99999001	08/15/1999	$ 2000	GROSS	
		$ 80	FEE	
		$ 1200	NET	
		$ 0	NET ADJUSTMENT	
Jefferson, Thomas	1 A		BOOKED	08/25/1999
333333333U00G99999001	08/17/1999	$ 150	GROSS	
		$ 6	FEE	
		$ 144	NET	
		$ -200	NET ADJUSTMENT	
Dean, James	1 D		UNBOOKED	
222222222S00G99999001	08/15/1999	$ 1750	GROSS	
		$ 70	FEE	
		$ 1680	NET	
		$ 0	NET ADJUSTMENT	
Franklin, Benjamin	1 A		UNBOOKED	
454545454S00G99999001	08/17/1999	$ 150	GROSS	
		$ 6	FEE	
		$ 144	NET	
		$ -120	NET ADJUSTMENT	

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DLSAS Loan Detail—Things to Remember

Key Point

- Each school has the option of receiving or not receiving Loan Detail information.

- If a school chooses to receive loan detail records, the school may choose to receive all loan detail records or only the unbooked records.
  - A school should contact its Customer Service Representative at the LOC if it chooses not to receive the Loan Detail information or wishes to receive the unbooked records only, otherwise the school will automatically receive all loan detail records.
  - If the school decides not to receive this information on a regular basis, the school can change its request at any time and request Loan Detail information for any previous monthly statement by calling the LOC.
- Loan Detail information will include booked records that are acknowledged during that specific month.
- All accepted but unbooked disbursement transactions will be included on the DLSAS for the year to date.
- If an accepted disbursement transaction is unbooked, then there is a problem with the p-note.
- Each **booked** transaction will also include the **disbursement booked date**. This is the date the individual transaction books at the LOC. This date determines the month the disbursement transaction appears on the DLSAS. Either the disbursement acknowledgement date or the promissory note acknowledgement date determines the booked date.

NOTES:

PART 4. BOOKED DATE vs. ACKNOWLEDGEMENT DATE

What three components are required to book a loan?

1. _____

2. _____

3. _____

Key Point—In Which Month Does a Disbursement or Adjustment Book?

- If the disbursement is the component that books the loan, the Disbursement Acknowledgement Date is the Disbursement Booked Date.

  If on the disbursement acknowledgement, the Disbursement Status = "A" (Accepted) and the Booked Status = "A" (Booked),

  Then the Disbursement Acknowledgement Date = the Booked Date.

- If the promissory note is the component that books the loan and the promissory note is accepted after a disbursement transaction is accepted, then the Promissory Note Acknowledgement Date is the Disbursement Booked Date.

  If on the disbursement acknowledgement, the Disbursement Status = "A" (Accepted) and the Booked Status = "R" (Unbooked),

  Then the promissory note must be accepted to book the loan.

  When the promissory note is accepted and the Promissory Note Booked Status = "A" (Booked),

  Then the Promissory Note Acknowledgement Date = the Booked Date.

- If a subsequent disbursement is received **after** the loan books, then the Disbursement Acknowledgement Date for that subsequent disbursement is the Disbursement Booked Date.

NOTES:

Booked Date vs. Disbursement Acknowledgement Date Scenarios

Scenario 1: A school receives an accepted origination acknowledgement on 9/1/99. The school sends a promissory note to the LOC on 9/15/99. The LOC accepts the promissory note on 9/20/99. The school imports the promissory note acknowledgement. The school sends the first disbursement on 9/25/99. The LOC accepts the disbursement on 9/26/99.

Question 1. What is the Acknowledgement Date for the first disbursement? _____

Question 2. What is the Booked Date for the first disbursement? _____

Question 3. On what month's DLSAS will the first disbursement be reported? _____

Scenario 2: A school receives an accepted origination acknowledgement on 9/25/99. The school mails a signed promissory note to the LOC on 9/29/99. The school disburses the first disbursement on this same day and transmits it immediately. The LOC receives the disbursement file on 9/30/99 and accepts it that same day. The LOC does not receive the promissory note until 10/3/99. It is accepted on 10/3/99.

Question 1. What is the Acknowledgement Date for the first disbursement? _____

Question 2. What is the Booked Date for the first disbursement? _____

Question 3. On what month's DLSAS will the first disbursement be reported?

_____

Scenario 3: Using the information in Scenario 2, the school sends a second disbursement on 12/1/99 and receives an accepted disbursement acknowledgement on 12/2/99.

Question 1. What is the Acknowledgement Date for the second disbursement? _____

Question 2. What is the Booked Date for the second disbursement? _____

Question 3. On what month's DLSAS will the second disbursement be reported? _____

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It is important for your school to track the amount of time elapsed between the disbursement date and the booked date in order to assure that you are meeting the 30-day reporting requirement.

Key Point—The 30-Day Reporting Requirement

- A school that originates a loan must submit the promissory note, loan origination record, and initial and subsequent disbursement records to the Secretary no later than 30 days following the date of disbursement. (*Federal Register*, December 1, 1995, Section 685.301)

NOTES:

PART 5. THE DEFINITION OF RECONCILIATION REVISITED

Looking back on your definition from Session 1, state a revised definition of **reconciliation** as it applies to the Direct Loan Program using what you have learned so far.

The U.S. Department of Education's official definition of reconciliation in the Direct Loan Program:

Key Points

- In order to comply with the **reconciliation** requirement, schools are responsible for reviewing and comparing each DLSAS to their Business Office and Direct Loan data to ensure the accuracy of the data on all three systems. They should resolve all discrepancies.
- The DLSAS will include an ending cash balance that represents the Department's official cash balance for the school. It is the responsibility of the school to verify that balance using the school's internal records, to record reasons for discrepancies, and to correct those discrepancies.
- At the conclusion of a school's processing for an academic year, the ending cash balance should be zero. School drawdowns should equal disbursements and returns of unused funds for the year. A school must be at a zero cash balance to be considered **closed out**.

SESSION 5

Reconciliation: A Balancing Act

SESSION CONTENTS

Part 1. Where to Start: The Cash Summary

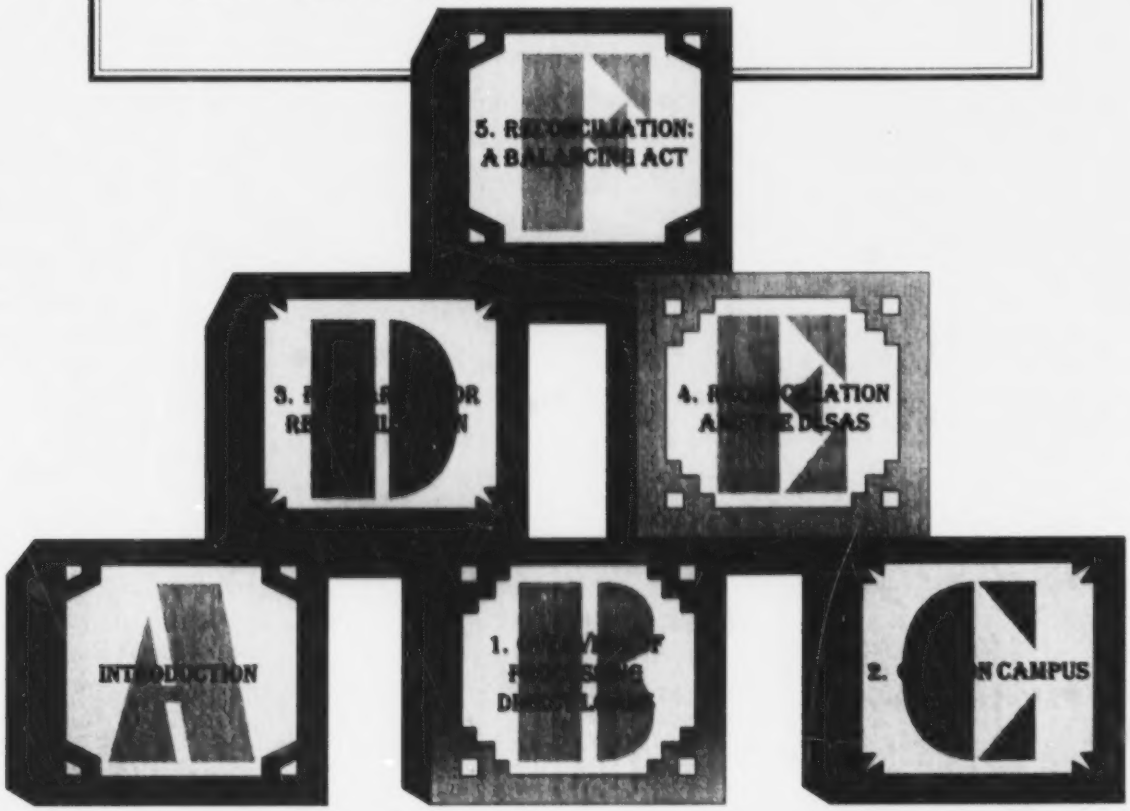
Part 2. Where to Go Next: Your Cash and/or Loan Detail

Part 3. Reconciliation Tools and Reports

Part 4. Where to Finish: Monthly vs. Yearly Ending Cash Balances

Part 5. Triple Play—Closeout

Part 6. Case Study



SESSION GOAL AND OBJECTIVES

Goal: To provide participants with the tools and types of reports necessary for performing a three-way reconciliation of the DLSAS and their internal and Direct Loan records.

Objectives

You will:

- Learn to compare the DLSAS Cash Summary totals to data from the Business Office and Direct Loan Systems.
- Learn to analyze DLSAS cash and loan detail and compare these to your internal systems.
- Identify potential problem areas for reconciliation.
- Understand the difference between monthly reconciliation and end-of-year closeout.
- Practice reconciling institutional data with a mock DLSAS.

DLSAS ANALYSIS: AN OVERVIEW

PART 1. WHERE TO START: THE CASH SUMMARY

What is meant by the term "three-way compare"?

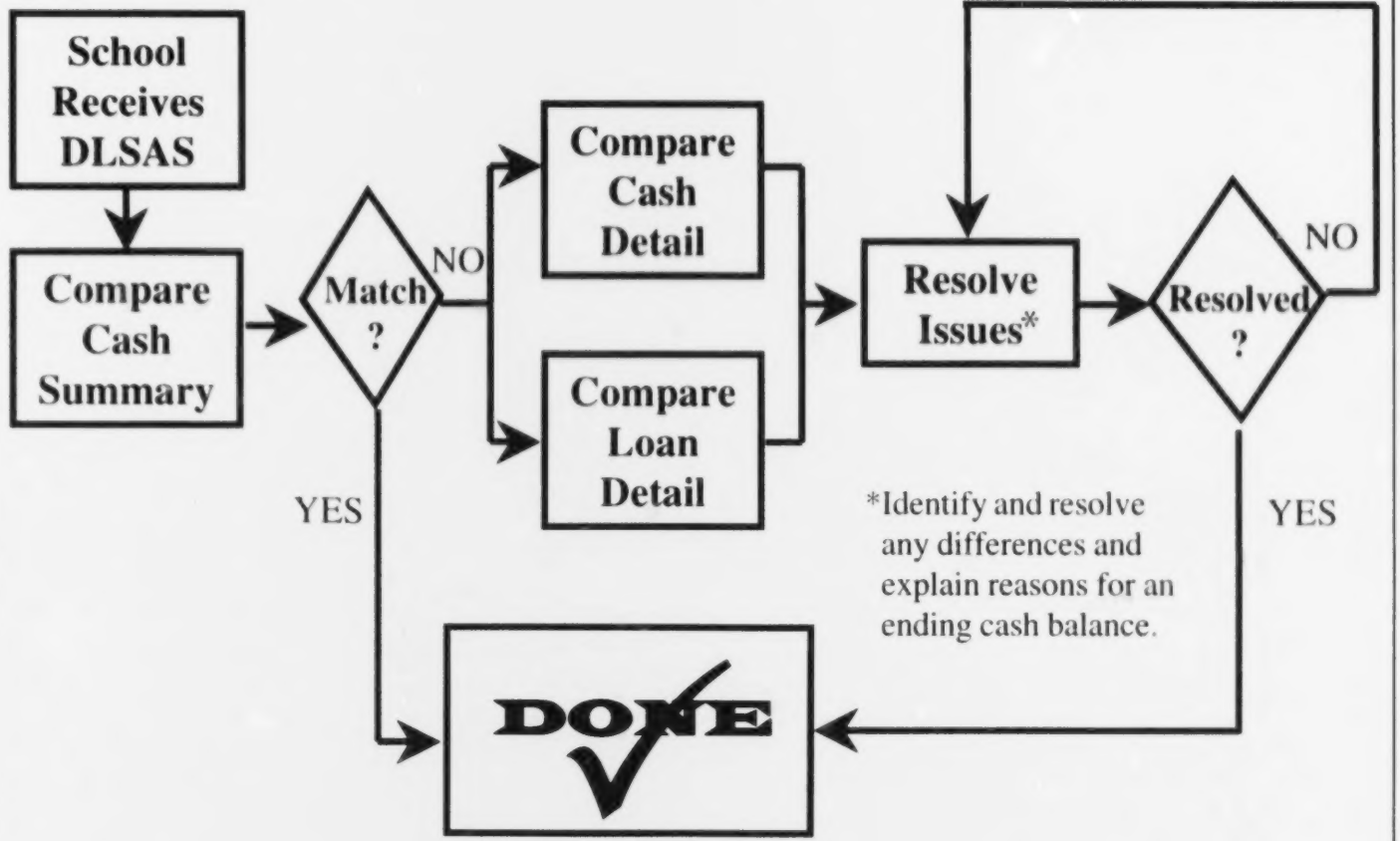
How can we conduct monthly reconciliation through the analysis of the monthly DLSAS received by the school?

Describe the overall process in your own words:

Key Points—Cash Summary

- You should identify any areas in the DLSAS cash summary that do not match your summary totals and focus on those areas for a detailed comparison.
- Keep in mind that each system accounts for cash receipts, excess cash, and disbursement transactions in a slightly different way. You will need to take this into account when conducting your comparison against the three systems.

Steps to Reconciling the DLSAS

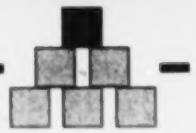


PART 2. WHERE TO GO NEXT: YOUR CASH AND/OR LOAN DETAIL

There are a variety of reasons for discrepancies in your cash and/or loan detail among the three systems. What are some of the causes of these discrepancies?

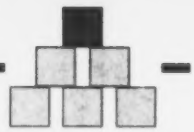
Key Point

- You have many different reports and tools at your disposal to analyze potential discrepancies in your cash and/or loan detail among the three systems.



PART 3. RECONCILIATION TOOLS AND REPORTS

The next page contains a chart that can help you to determine what types of reports or documentation you may need to analyze various cash or loan detail related issues. It also provides you with some helpful hints on what to look for when analyzing these areas.



HOW TO CONDUCT A COMPARISON BETWEEN THE DLSAS (DSAS00OP.*) AND SCHOOL RECORDS

DLSAS	*Compare to School's*	*Look For*
Cash Summary Contains totals of: ◆ Beginning Cash Balance ◆ Cash Receipts (Drawdowns) ◆ Excess Cash Returned ◆ Net **Booked** Disbursements ◆ Net **Booked** Adjustments ◆ Ending Cash Balance ◆ Net **Unbooked** Loan Detail	◆ School Business Office records/systems showing cash balances AND/OR ◆ Direct Loan System Cash Summary Reports (named "List–Cash" in EDExpress)	Discrepancies in totals of: ◆ Drawdowns ◆ Excess cash ◆ Disbursements ◆ Adjustments ◆ Ending cash balance
Cash Detail Includes detailed list of: ◆ **Drawdown** transactions reported by GAPS ◆ **Returns of excess cash** received by LOC	◆ Business Office records: ◇ Bank statements ◇ Canceled checks ◇ Ledgers AND/OR ◆ Direct Loan System Cash Detail Reports (if available)	◆ Differences in dollar amounts ◆ Individual cash receipts or returns of excess cash not recorded for that month because of **timing** issues ◆ Cash receipts or excess cash not recorded in one or more systems ◆ Cash receipts or excess cash recorded in the wrong year in any system ◆ Returns of excess cash recorded as a payment in one or more systems
Loan Detail (Optional) Includes detailed list of: ◆ **Booked** disbursement transactions ◇ Disbursements ◇ Adjustments ◆ **Unbooked** disbursement transactions ◇ Disbursements ◇ Adjustments	◆ List of disbursement transactions with all three status flags (origination, p-note, and disbursements) (named "Measurement–Booked Status" in EDExpress) ◆ 30-Day Warning Report	◆ Transactions with any of the three status flags not in "A" status ◆ Loans which are missing a necessary component to book the loan (missing an LOR, prom note, or **first** disbursement)

DLSAS	Compare to School's	Look For
	◆ Actual Disbursement Status Report (named "List–Actual Disbursements" in EDExpress)	◆ Any disbursements not in "A" status: ◇ "R" – Batch and transmit ◇ "B" – Ensure it was transmitted and/or pull in acknowledgment ◇ "E" – Resolve the problem and batch and transmit
	◆ Pending Disbursement Report (named "List–Anticipated Disbursements" in EDExpress)	◆ Unrecorded disbursements
	◆ Business Office Disbursement Records (credits to student accounts)	◆ Any discrepancies between internal disbursement records, DLSAS, and Direct Loan System
	◆ Origination Status Report (named "List–Loans" in EDExpress)	◆ Loan origination records not in "A" status
	◆ Promissory Note Status Report (named "List–Promissory Note" in EDExpress)	◆ Notes not in "A" status: ◇ P = Printed, not signed ◇ S = Signed, with no corresponding manifest batch ID and/or no acknowledgment ◇ X = Pending, no accepted origination record

★ If discrepancies still exist, send the loan detail file DERC00OP to the LOC. Then import the Exception reports (ED0100OP.* and ED0200OP.*) and resolve differences.

Key Point

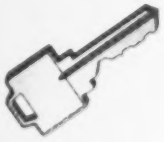
- You may receive DLSAS reports for up to three award years in a single month. These multiple reports can be used to assist in identifying cross-year and global issues.

The DLSAS will continue to be sent by the LOC until an award year has been closed out, which is generally July 31 of the year following the award year (for the 99-00 award year, closeout will be 7/31/2001). You can use these multiple reports as a tool to target issues pertaining to cash in the wrong year. Even if different individuals are analyzing each year's report, you should coordinate your efforts to identify cross-year issues, and to determine if there are recurring or global issues that need to be addressed in your system or by the LOC.

PART 4. WHERE TO FINISH: MONTHLY vs. YEARLY ENDING CASH BALANCES

What is a Loan Detail Exception Report?

- An optional export file that can be sent to the LOC to obtain an exception report for either booked or unbooked loans.
- A report that compares school disbursement data from its Direct Loan System to accepted disbursement data at the LOC for either booked or unbooked loans.



Key Point

- Schools should keep in mind that the Loan Detail Exception Reports only compare disbursement detail records (either booked or unbooked) from the school's Direct Loan System to those at the LOC. The school's Business Office records will not be compared.

The LOC exports should be sent in the following Message Class:

- DERC00IN—This message class will contain either booked or unbooked loan detail, as indicated by the school during the export process.

The exception reports will be returned in the following Messages Classes:

- ED0100OP—Loan Detail Exception Report for Booked Loans.
- ED0200OP—Loan Detail Exception Report for Unbooked Loans.

The exception reports are sent to the school in Report Format, so that they can easily be printed from any word processor. A sample Exception Report for booked loans is included on the next page.

EXAMPLE LOAN DETAIL EXCEPTION REPORT

DL HEADER 0079ED02000P G92516-LOCUNBOK199809061423350UB

Report Date: 10/06/1999 U. S. DEPARTMENT OF EDUCATION Page: 1
Report Time: 02:22:55 PM Federal Direct Loan Program
Loan Detail Exception Report for Unbooked Loans
End Date of 09/30/1999

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

School ID: G91234 School Name: ELECTRONIC UNIVERSITY
No. of Attempts This Month: 1 Direct Loan Year: 05 File Processed: Accepted

Loan ID	Transaction Date	Disb No	Acty Code	Seq No	Booked MMYY	Gross Amt	Fee Amt	Net Amt	Adj Amt	Man Adj
008661760 U 00 G91234 001										
SCHOOL	07/31/1999	1	D	1		$1167.00	$46.00	$1121.00		
LOC										
Difference		*	*	*	*		*	*	*	
SCHOOL	09/30/1999	2	D	1		$1167.00	$46.00	$1121.00		
LOC										
Difference		*	*	*	*		*	*	*	
023588884 P 00 G91234 001										
SCHOOL	07/05/1999	1	D	1		$1000.00	$40.00	$960.00		
LOC										
Difference		*	*	*	*		*	*	*	
SCHOOL	09/05/1999	2	D	1		$1000.00	$40.00	$960.00		
LOC										
Difference		*	*	*	*		*	*	*	

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* indicates a difference between the school data and the LOC.

DL TRAILER00790000062

You will know that you have completed your monthly reconciliation cycle if:

- All differences between the DLSAS and your internal records have been documented.
- Timing issues have been identified and will be tracked for reconciliation in the next month's DLSAS.
- Any corrective actions have been taken to ensure that all prior month issues will reconcile in the following month.
- All reconciliation efforts have been documented for future reference and reviews.*

* The Department of Education does not regulate specific types of documentation for your reconciliation activities. However, monthly documentation shows that you have made a good faith effort to reconcile your records to the Department's records, per program requirements. It also provides you and your staff with good reference materials for your end-of-year reconciliation and closeout for the academic year.

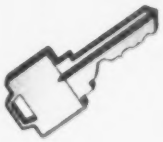
What are some ways in which your school might document your monthly reconciliation activities?

Key Point

- The format of your monthly reconciliation documentation is not as important as what you document.

Monthly reconciliation and documentation allows schools to:

- Stay on top of their outstanding issues every month.
- Keep historical records of issues for later review or to update new or returning staff members.



Key Point

- If you have carefully reconciled the DLSAS to your records every month, end-of-year closeout should be a simple process.

End-of-year reconciliation is similar to the monthly reconciliation process. When a school has completed processing for an award year, all records should be fully reconciled to those at the LOC. The one difference between end-of-year and monthly reconciliation is that for a school to be considered completely closed out for an award year, the school's ending cash balance should be at zero and all actual disbursements should be booked at the LOC. This means that:

- All LOC transactions should match up to all school Direct Loan System transactions and Business Office System transactions, AND
- The ending balance for the school systems and the LOC should now be $0, AND
- All actual disbursement records should be booked at the LOC, so that the DLSAS reflects a $0 unbooked balance.

Direct Loan Definitions:

Reconciliation: The process by which the Direct Loan cash balance reported by the Loan Origination Center is reviewed and compared by the school with the school's internal records on a monthly basis. Schools should resolve all discrepancies.

Closing Out: The process of reconciling all school information to the information contained at the Loan Origination Center, and of bringing all ending cash balances to $0.

PART 5. TRIPLE PLAY—CLOSEOUT

PLAYING THE GAME

Please turn to the appendix entitled "Playing the Game" for materials for playing Month 3.

WRAP UP

The table below represents an action item list for you to use in preparing for end-of-year closeout. The class will brainstorm remaining action items in detail. You may record these in the table as the class proceeds with the exercise.

ACTION ITEM LIST FOR END-OF-YEAR CLOSEOUT

Action Item	*Date Due*	*Responsible Office*	*Completed?*

(Table continues on next page)

ACTION ITEM LIST FOR END-OF-YEAR CLOSEOUT (cont.)

Action Item	*Date Due*	*Responsible Office*	*Completed?*

Key Point

- The ultimate goal in end-of-year closeout is to have all three systems reflecting a zero cash balance and to have all loans booked.

PART 6. CASE STUDY

September Reconciliation

Pull out the two blank Case Study Reconciliation Worksheets from pages 25 and 27 of this session. You will need one of these worksheets for September reconciliation—complete it according to the steps below. Put the other worksheet to one side (you will need it later when we do the October reconciliation). Also, pull out pages 29 through 60 of this session and put them in a stack on your right. You will need to refer to them in turn as we perform reconciliation.

A. Reconcile Business Office System with Financial Aid Direct Loan System

Step 1. Complete the Business Office Column (Section 1)

Use the report titled "Business Office Account—Direct Loan Transactions" for the month ending 9/30/99 (page 29 of this session). Complete the columns for "This Month" and "Year-to-Date" on the worksheet.

> ***Note:*** *It is likely that your Business Office System tracks debits and credits rather than disbursements and adjustments. You will have to determine how your Business Office accounts for Direct Loan funds and make the appropriate modifications to the worksheet.*

The sample Business Office statement for this exercise provides detail cash (R, X) transactions but nets disbursement transactions based on batch disbursement runs. The [DL Net Disbursement Student] transaction reflects the sum of disbursement transactions after they have been applied to the student's account. All disbursements in the batch run have the posting date of the batch run.

Most Business Office Systems do not track booking status. However, the only Direct Loan System balances that compare to the Business Office System balances are balances made up of booked transactions. One approach to balancing the Business Office System to the Direct Loan System is to disregard booking status.

Step 2. Complete the Direct Loan System Column (Section 2)

Use the report titled "FinAid Office: DL System—Actual Disbursements for Reconciling w/Bus Off." printed on 9/30/99 (page 31 of this session) to enter assets. Carry liabilities subtotals from Section 1 to Section 2.

Step 3. Analyze/Resolve Differences (Section 3)

Calculate the differences between Section 1 and Section 2 and enter the amounts in Section 3. Do differences exist? If so, explain the reasons in the space below.

Beginning Balance _____

_____

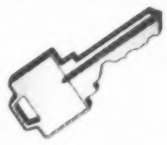
Net Cash Receipts _____

_____

Net Disbursed _____

_____

If your year-to-date totals reconcile but your totals for the month do not between the Business Office and the Financial Aid Direct Loan System, what might explain this?



Key Point

- You should resolve discrepancies between the Business Office and Financial Aid Direct Loan System immediately if they exist.

B. Reconcile Direct Loan System with Loan Origination Center

Step 4. Complete the Direct Loan System Column (Section 4)

Use the report titled "FinAid Office: DL System—Actual Disbursements for Reconciling w/DLSAS" printed on 9/30/99 (pages 33-35 of this session) to enter the "Booked This Month" amounts.

Carry liabilities from Section 1 to the liabilities section.

Step 5. Complete the LOC DLSAS Column (Section 5)

Use the Direct Loan School Account Statement (pages 37-38 of this session) to fill in Section 5 of the worksheet.

Step 6. Analyze/Resolve Differences (Section 6)

Calculate the differences between Section 4 and Section 5 and enter the amounts in Section 6. Do differences exist? If so, explain the reasons in the space below.

Beginning Balance _____

_____

Total Net Cash Receipts _____

_____

Total Disbursed _____

_____

Ending Cash Balance _____

_____

Total Unbooked _____

_____

Adjusted Ending Balance _____

_____

Hint: *Use the Actual Disbursement reports (pages 39-47 of this session) to make educated guesses about the differences.*

October Reconciliation

Now complete the blank Case Study Reconciliation Worksheet from page 27 of this session.

A. Reconcile Business Office System with Financial Aid Direct Loan System

Step 1. Complete the Business Office Column (Section 1)

Use the report titled "Business Office Account—Direct Loan Transactions" for the month ending 10/31/99 (page 49 of this session). Complete the columns for "This Month" and "Year-to-Date" on the worksheet.

Step 2. Complete the Direct Loan System Column (Section 2)

Use the report titled "FinAid Office: DL System—Actual Disbursements for Reconciling w/Bus Off." printed on 10/31/99 (page 51 of this session) to enter assets. Carry liabilities subtotals from Section 1 to Section 2.

Step 3. Analyze/Resolve Differences (Section 3)

Calculate the differences between Section 1 and Section 2 and enter the amounts in Section 3. Do differences exist? If so, explain the reasons in the space below.

Beginning Balance _____

_____

Net Cash Receipts _____

_____

Net Disbursed _____

_____

If your year-to-date totals reconcile but your totals for the month do not between the Business Office and the Financial Aid Direct Loan System, what might explain this?

Key Point

- You should resolve discrepancies between the Business Office and Financial Aid Direct Loan System immediately if they exist.

B. Reconcile Direct Loan System with Loan Origination Center

Step 4. Complete the Direct Loan System Column (Section 4)

Use the report titled "FinAid Office: DL System—Actual Disbursements for Reconciling w/DLSAS" printed on 10/31/99 (pages 53-54 of this session) to enter the Booked This Month amounts. Carry liabilities from Section 1 to the liabilities section.

Step 5. Complete the LOC DLSAS Column (Section 5)

Use the Direct Loan School Account Statement (pages 55-56 of this session) to fill in Section 5 of the worksheet.

Step 6. Analyze/Resolve Differences (Section 6)

Calculate the differences between Section 4 and Section 5 and enter the amounts in Section 6. Do differences exist? If so, explain the reasons in the space below.

Beginning Balance _____

_____

Total Net Cash Receipts _____

_____

Total Disbursed _____

_____

Ending Cash Balance _____ _____

_____

Total Unbooked _____

_____

Adjusted Ending Balance _____

_____ _____

Hint: *Use the Actual Disbursement reports (pages 57-59 of this session) to make educated guesses about the differences.*

CASE STUDY RECONCILIATION WORKSHEET

For Month Ending: 9/30/99

A.

	1 BUSINESS OFFICE		2 DL SYSTEM		3 DIFFERENCE	
	This Month	Year-to-Date	This Month	Year-to-Date	This Month	Year-to-Date
Beginning Balance	$	$	$	$	$	$
Credit (Cash Receipt)	$	$	$	$	$	$
Debit (Excess Cash)	$	$	$	$	$	$
Net Cash Receipts	$	$	$	$	$	$
Credit (Adj Down)	$	$	$	$	$	$
Debit (Disb + Adj Up)	$	$	$	$	$	$
Net Disbursed	$	$	$	$	$	$
Ending Cash Balance	$	$	$	$	$	$

B.

		4 DL SYSTEM	5 LOC DLSAS	6 DIFFERENCE
	Beginning Balance	$	$	$
	Drawdowns	$	$	$
	Excess Cash Returned	$	$	$
	Total Net Cash Receipts	$	$	$
Booked This Month	Disbursements	$	$	$
	Adjustments	$	$	$
	Cancellations	$	$	$
	Total Disbursed	$	$	$
	Ending Cash Balance	$	$	$
Unbooked Y-T-D	Disbursements	$	$	$
	Adjustments	$	$	$
	Cancellations	$	$	$
	Total Unbooked	$	$	$
	Adjusted Ending Balance	$	$	$

CASE STUDY RECONCILIATION WORKSHEET

For Month Ending: 10/31/99

A.

	1 BUSINESS OFFICE		2 DL SYSTEM		3 DIFFERENCE	
	This Month	Year-to-Date	This Month	Year-to-Date	This Month	Year-to-Date
Beginning Balance	$	$	$	$	$	$
Credit (Cash Receipt)	$	$	$	$	$	$
Debit (Excess Cash)	$	$	$	$	$	$
Net Cash Receipts	$	$	$	$	$	$
Credit (Adj Down)	$	$	$	$	$	$
Debit (Disb + Adj Up)	$	$	$	$	$	$
Net Disbursed	$	$	$	$	$	$
Ending Cash Balance	$	$	$	$	$	$

B.

		4 DL SYSTEM	5 LOC DLSAS	6 DIFFERENCE
	Beginning Balance	$	$	$
	Drawdowns	$	$	$
	Excess Cash Returned	$	$	$
	Total Net Cash Receipts	$	$	$
Booked This Month	Disbursements	$	$	$
	Adjustments	$	$	$
	Cancellations	$	$	$
	Total Disbursed	$	$	$
	Ending Cash Balance	$	$	$
Unbooked Y-T-D	Disbursements	$	$	$
	Adjustments	$	$	$
	Cancellations	$	$	$
	Total Unbooked	$	$	$
	Adjusted Ending Balance	$	$	$

Business Office Account

Direct Loan Transactions

Statement Month Ending: 9/30/99

Date	Description	Debit	Credit
1-Sep	DL GAPS		$ 139,745.00
7-Sep	DL Net Disb Student	$ 124,324.00	
8-Sep	DL LOC	$ 15,421.00	
14-Sep	DL Net Disb Student		$ 13,408.00
15-Sep	DL LOC	$ 13,408.00	
25-Sep	DL GAPS		$ 13,501.00
28-Sep	DL Net Disb Student	$ 13,501.00	

Total			This Month	Year-to-Date
DL Net Disb Student	$ 137,825.00	$ 13,408.00	$ (124,417.00)	$ (124,417.00)
DL LOC	$ 28,829.00		$ (28,829.00)	$ (28,829.00)
DL GAPS		$ 153,246.00	$ 153,246.00	$ 153,246.00
Balance			$ -	$ -

Key

DL Net Disb Student: Net activity after Direct Loan Student Disbursement program runs

DL LOC: Return of Excess Cash to LOC, date on check

DL GAPS: Drawdowns credited to school account

FinAid Office: DL System

Actual Disbursements for Reconciling w/Bus Off.

[DATE] BETWEEN '19990901' AND '19990930'

For the Month	
Disbursements/Adjustment Increases (Debits)	*$139,845.00*
Adjustment Decreases (Credits)	*($15,428.00)*
Total	*$124,417.00*
Year-to-Date	
Disbursements/Adjustment Increases (Debits)	*$139,845.00*
Adjustment Decreases (Credits)	*($15,428.00)*
Total	*$124,417.00*

FinAid Office: DL System

Actual Disbursements for Reconciling w/DLSAS

[RECONDT]='' OR ([RECONDT] BETWEEN '19990901' AND '19990930')

SSN / LOANID	NAME	NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
101-99-9999	**EDISON THOMAS**						
10199999S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
111-22-2333	**TUPA TOM**						
11122233[illegible]00G02221001		1	N	1999/09/28	$1,680.00	B	/ / *
121-21-1111	**ABDUL-JABAR KAREEM**						
121211111S00G02221001		1	N	1999/09/28	$1,261.00	B	/ / *
122-22-2333	**EDWARDS ROBERT**						
122222333U00G02221001		1	N	1999/09/28	$2,640.00	B	/ / *
133-21-2121	**FRANKLIN BEN**						
133212121S00G02221001		1	N	1999/09/07	$1,261.00	A	1999/09/08
		1	J	1999/09/14	($48.00)	B	/ / *
222-22-2222	**PIPER ROWDY**						
222222222P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
222222222S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
222222222U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
222-22-3333	**BELL ALEX**						
222223333P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
222223333S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
222223333U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
232-32-2222	**MARTINEZ PEDRO**						
232322222S00G02221001		1	N	1999/09/28	$2,640.00	B	/ / *
244-32-3232	**BERLE MILTON**						
244323232S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
333-22-2222	**JACKSON THOMAS**						
333222222P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
		1	J	1999/09/14	($4,800.00)	B	/ / *
333-33-3333	**GARAFOLO JANINE**						
333333333P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
333333333S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
333333333U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
333-33-4444	**JORDAN MICHAEL**						
333334444P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08

SSN / LOANID	NAME		NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
333334414P00G02221001			1	J	1999/09/14	($4,800.00)	B	/ / *
333334444S00G02221001			1	N	1999/09/07	$2,640.00	A	1999/09/08
333334444U00G02221001			1	N	1999/09/07	$480.00	A	1999/09/08
			1	J	1999/09/14	$2,020.00	B	/ / *
343-43-3333	**WALKER**	**ANTOINE**						
343433333S00G02221001			1	N	1999/09/28	$2,640.00	B	/ / *
355-43-4343	**ROOSEVELT**	**ELEANOR**						
355434343S00G02221001			1	N	1999/09/07	$2,640.00	A	1999/09/08
			1	J	1999/09/14	($840.00)	B	/ / *
444-33-3333	**WASHINGTON**	**MARTHA**						
444333333P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
444-44-4444	**POPPINS**	**MARY**						
444444444P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
444444444S00G02221001			1	N	1999/09/07	$1,261.00	A	1999/09/08
444444444U00G02221001			1	N	1999/09/07	$480.00	A	1999/09/08
444-44-5555	**PUMPKIN**	**T GREAT**						
444445555P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
444445555S00G02221001			1	N	1999/09/07	$1,261.00	A	1999/09/08
444445555U00G02221001			1	N	1999/09/07	$480.00	A	1999/09/08
454-54-4444	**PECK**	**SEAN**						
454544444S00G02221001			1	N	1999/09/28	$2,640.00	B	/ / *
466-54-5454	**TECUMSEH**	**SHERMAN**						
466545454S00G02221001			1	N	1999/09/07	$2,640.00	A	1999/09/08
555-44-4444	**REVERE**	**PAUL**						
555444444P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
555444444S00G02221001			1	N	1999/09/07	$1,261.00	A	1999/09/08
555444444U00G02221001			1	N	1999/09/07	$480.00	A	1999/09/08
555-55-5555	**BANNER**	**DAVID**						
555555555P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
			1	J	1999/09/14	($4,800.00)	B	/ / *
555555555S00G02221001			1	N	1999/09/07	$1,680.00	A	1999/09/08
555-55-6665	**ARL**	**JOAN**						
555556666P00G02221001			1	N	1999/09/08	$4,800.00	E	/ / *
555556666S00G02221001			1	N	1999/09/07	$1,680.00	A	1999/09/08
666-55-5555	**ANTHONY**	**SUSAN**						
666555555P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
666555555S00G02221001			1	N	1999/09/07	$1,680.00	A	1999/09/08

SSN / LOANID	NAME	NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
666-66-6666	THORNTON BILLYBOB						
666666666P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
666666666S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
666666666U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
666-66-7777	LEWINSKY MONICA						
666667777P00G02221001		1	N	1999/09/08	$4,800.00	E	/ / *
666667777S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
666667777U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
777-66-6666	CARVER GEORGE						
777666666P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
777666666S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
777666666U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
888-88-8888	AUERBACH RED						
888888888S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
888-88-9999	LEE BOB						
888889999S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
999-88-8888	TRUTH SOJOURNER						
999888888S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
999-99-1010	NICKLES DON						
999991010S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
		1	J	1999/09/14	($140.00)	B	/ / *
999-99-9999	BLEDSOE DREW						
999999999S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08

Booked Disbursements	$114,724.00
Booked Adjustments	$0.00
Unbooked Disbursements	$23,101.00
Unbooked Adjustments	($13,408.00)
Total	$124,417.00

** = Booking Status is 'Unbooked' for this transaction.*

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U.S. Department of Education
1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

****

Batch ID: AS0G022211999100412

Process Date: 10/04/1999

School Code: G02221

Month End: 09/30/1999

CASH SUMMARY

Beginning Balance		$139,745.00
Cash Receipts	$13,501.00	
Excess Cash	$28,829.00	
Total Cash Receipts		($15,328.00)
Net Booked Disb. Actual	$114,724.00	
Net Booked Disb. Adjustments	($13,408.00)	
Total Net Booked Loan Detail		$101,316.00
Ending Cash Balance		$23,101.00
Net Unbooked Disb. Actual	$0.00	
Net Unbooked Disb. Adjustments	$0.00	
Total Net Unbooked Loan Detail		$0.00
Adjusted Ending Cash Balance		$23,101.00

The LOC's Ending Cash Balance represents the Departement's official cash balance for your school at the end of the current month. This ending cash balance from the LOC's records will be used by the Department to monitor the cash activity and balances at your school. If your records do not agree, please notify your Customer Service Representative IMMEDIATELY.

U.S. Department of Education
1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

****

Batch ID: AS0G022211999100412

Process Date: 10/04/1999

School Code: G02221

Month End: 09/30/1999

CASH DETAIL

TRANS TYPE	DATE	AMOUNT	GAPS CONTROL#	CHECK#
Cash Receipt	09/25/1999	$13,501.00	1021333555500	
Excess Cash	09/19/1999	$13,408.00		000000099996
Excess Cash	09/12/1999	$15,421.00		000000099981

FinAid Office: DL System

Actual Disbursements Batch Report

[DATE]='19990907'

SSN / LOANID	NAME		NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
101-99-9999	**EDISON**	**THOMAS**						
101999999S00G02221001			1	N	1999/09/07	$2,640.00	A	1999/09/08
133-21-2121	**FRANKLIN**	**BEN**						
133212121S00G02221001			1	N	1999/09/07	$1,261.00	A	1999/09/08
222-22-2222	**PIPER**	**ROWDY**						
222222222P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
222222222S00G02221001			1	N	1999/09/07	$1,680.00	A	1999/09/08
222222222U00G02221001			1	N	1999/09/07	$480.00	A	1999/09/08
222-22-3333	**BELL**	**ALEX**						
222223333P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
222223333S00G02221001			1	N	1999/09/07	$1,680.00	A	1999/09/08
222223333U00G02221001			1	N	1999/09/07	$480.00	A	1999/09/08
244-32-3232	**BERLE**	**MILTON**						
244323232S00G02221001			1	N	1999/09/07	$2,640.00	A	1999/09/08
333-22-2222	**JACKSON**	**THOMAS**						
333222222P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
333-33-3333	**GARAFOLO**	**JANINE**						
333333333P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
333333333S00G02221001			1	N	1999/09/07	$2,640.00	A	1999/09/08
333333333U00G02221001			1	N	1999/09/07	$480.00	A	1999/09/08
333-33-4444	**JORDAN**	**MICHAEL**						
333334444P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
333334444S00G02221001			1	N	1999/09/07	$2,640.00	A	1999/09/08
333334444U00G02221001			1	N	1999/09/07	$480.00	A	1999/09/08
355-43-4343	**ROOSEVELT**	**ELEANOR**						
355434343S00G02221001			1	N	1999/09/07	$2,640.00	A	1999/09/08
444-33-3333	**WASHINGTON**	**MARTHA**						
444333333P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
444-44-4444	**POPPINS**	**MARY**						
444444444P00G02221001			1	N	1999/09/07	$4,800.00	A	1999/09/08
444444444S00G02221001			1	N	1999/09/07	$1,261.00	A	1999/09/08
444444444U00G02221001			1	N	1999/09/07	$480.00	A	1999/09/08

SSN / LOANID	NAME	NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
444-44-5555	**PUMPKIN T GREAT**						
444445555P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
444445555S00G02221001		1	N	1999/09/07	$1,261.00	A	1999/09/08
444445555U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
466-54-5454	**TECUMSEH SHERMAN**						
466545454S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
555-44-4444	**REVERE PAUL**						
555444444P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
555444444S00G02221001		1	N	1999/09/07	$1,261.00	A	1999/09/08
555444444U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
555-55-5555	**BANNER DAVID**						
555555555P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
555555555S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
555-55-6666	**ARL JOAN**						
555556666S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
666-55-5555	**ANTHONY SUSAN**						
666555555P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
666555555S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
666-66-6666	**THORNTON BILLYBOB**						
666666666P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
666666666S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
666666666U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
666-66-7777	**LEWINSKY MONICA**						
666667777S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
666667777U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
777-66-6666	**CARVER GEORGE**						
777666666P00G02221001		1	N	1999/09/07	$4,800.00	A	1999/09/08
777666666S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08
777666666U00G02221001		1	N	1999/09/07	$480.00	A	1999/09/08
888-88-8888	**AUERBACH RED**						
888888888S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
888-88-9999	**LEE BOB**						
888889999S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
999-88-8888	**TRUTH SOJOURNER**						
999888888S00G02221001		1	N	1999/09/07	$1,680.00	A	1999/09/08
999-99-1010	**NICKLES DON**						
999991010S00G02221001		1	N	1999/09/07	$2,640.00	A	1999/09/08

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SSN / LOANID	NAME	NUM	DATE	AMOUNT	DISB. STATUS	BOOKED DATE
999-99-9999 999999999S00G02221001	BLEDSOE DREW	1	N 1999/09/07	$2,640.00	A	1999/09/08

Total $114,724.00

* = Booking Status is 'Unbooked' for this transaction.

FinAid Office: DL System

Actual Disbursements Batch Report

[DATE]='19990908'

SSN / LOANID	NAME		NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
555-55-6666	ARL	JOAN						
555556666P00G02221001			1	N	1999/09/08	$4,800.00	E	/ / *
666-66-7777	LEWINSKY	MONICA						
666667777P00G02221001			1	N	1999/09/08	$4,800.00	E	/ / *
Total						$9,600.00		

* = Booking Status is 'Unbooked' for this transaction.

FinAid Office: DL System

Actual Disbursements Batch Report

[DATE]='19990914'

SSN / LOANID	NAME		NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
133-21-2121	FRANKLIN	BEN						
133212121S00G02221001			1	J	1999/09/14	($48.00)	B	/ / *
333-22-2222	JACKSON	THOMAS						
333222222P00G02221001			1	J	1999/09/14	($4,800.00)	B	/ / *
333-33-4444	JORDAN	MICHAEL						
333334444P00G02221001			1	J	1999/09/14	($4,800.00)	B	/ / *
333334444U00G02221001			1	J	1999/09/14	$2,020.00	B	/ / *
355-43-4343	ROOSEVELT	ELEANOR						
355434343S00G02221001			1	J	1999/09/14	($840.00)	B	/ / *
555-55-5555	BANNER	DAVID						
555555555P00G02221001			1	J	1999/09/14	($4,800.00)	B	/ / *
999-99-1010	NICKLES	DON						
999991010S00G02221001			1	J	1999/09/14	($140.00)	B	/ / *
Total						($13,408.00)		

* = Booking Status is 'Unbooked' for this transaction.

FinAid Office: DL System

Actual Disbursements Batch Report

[DATE]='19990928'

SSN / LOANID	NAME	NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
111-22-2333	TUPA TOM						
111222333U00G02221001		1	N	1999/09/28	$1,680.00	B	/ / *
121-21-1111	ABDUL-JABAR KAREEM						
121211111S00G02221001		1	N	1999/09/28	$1,261.00	B	/ / *
122-22-2333	EDWARDS ROBERT						
122222333U00G02221001		1	N	1999/09/28	$2,640.00	B	/ / *
232-32-2222	MARTINEZ PEDRO						
232322222S00G02221001		1	N	1999/09/28	$2,640.00	B	/ / *
343-43-3333	WALKER ANTOINE						
343433333S00G02221001		1	N	1999/09/28	$2,640.00	B	/ / *
454-54-4444	PECK SEAN						
454544444S00G02221001		1	N	1999/09/28	$2,640.00	B	/ / *
Total					$13,501.00		

* = Booking Status is 'Unbooked' for this transaction.

Business Office Account

Direct Loan Transactions

Statement Month Ending: 10/31/99

Date	Description	Debit	Credit
3-Oct	DL GAPS		$ 26,766.00
7-Oct	DL Net Disb Student	$ 26,766.00	
14-Oct	DL Net Disb Student		$ 11,681.00
15-Oct	DL LOC	$ 11,681.00	

Total			This Month	Year-to-Date
DL Net Disb Student	$ 26,766.00	$ 11,681.00	$ (15,085.00)	$ (139,502.00)
DL LOC	$ 11,681.00		$ (11,681.00)	$ (40,510.00)
DL GAPS		$ 26,766.00	$ 26,766.00	$ 180,012.00
Balance			$ -	$ -

Key

DL Net Disb Student: Net activity after Direct Loan Student Disbursement program runs

DL LOC: Return of Excess Cash to LOC, date on check

DL GAPS: Drawdowns credited to school account

FinAid Office: DL System

Actual Disbursements for Reconciling w/Bus Off.

[DATE] BETWEEN '19991001' AND '19991031'

For the Month		
Disbursements/Adjustment Increases (Debits)	*$27,185.00*	
Adjustment Decreases (Credits)	*($12,100.00)*	
Total		*$15,085.00*
Year-to-Date		
Disbursements/Adjustment Increases (Debits)	*$167,030.00*	
Adjustment Decreases (Credits)	*($27,528.00)*	
Total		*$139,502.00*

FinAid Office: DL System

Actual Disbursements for Reconciling w/DLSAS

[RECONDT]='' OR ([RECONDT] BETWEEN '19991001' AND '19991031')

SSN / LOANID	NAME		NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
111-11-1111	**SUAREZ**	**RAOUL**						
111111111P00G02221001			1	N	1999/10/07	$4,800.00	A	1999/10/08
			1	J	1999/10/14	($4,800.00)	A	1999/10/15
111111111S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
			1	J	1999/10/14	$419.00	A	1999/10/15
111111111U00G02221001			1	Q	1999/09/07	$0.00	A	1999/10/15
			1	N	1999/10/07	$480.00	A	1999/10/08
111-11-2222	**HAMILTON**	**ALEX**						
111112222P00G02221001			1	N	1999/10/07	$4,800.00	A	1999/10/08
111112222S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
111112222U00G02221001			1	N	1999/10/07	$480.00	A	1999/10/08
111-22-1111	**WASHINGTON**	**GEORGE**						
111221111P00G02221001			1	N	1999/10/07	$4,800.00	A	1999/10/08
111221111S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
111221111U00G02221001			1	N	1999/10/07	$480.00	A	1999/10/08
111-22-2333	**TUPA**	**TOM**						
111222333U00G02221001			1	N	1999/09/28	$1,680.00	A	1999/10/01
121-21-1111	**ABDUL-JABAR**	**KAREEM**						
121211111S00G02221001			1	N	1999/09/28	$1,261.00	A	1999/10/01
122-22-2333	**EDWARDS**	**ROBERT**						
122222333U00G02221001			1	N	1999/09/28	$2,640.00	A	1999/10/01
232-32-2222	**MARTINEZ**	**PEDRO**						
232322222S00G02221001			1	N	1999/09/28	$2,640.00	A	1999/10/01
333-33-4444	**JORDAN**	**MICHAEL**						
333334444S00G02221001			1	J	1999/10/14	($2,640.00)	A	1999/10/15
333334444U00G02221001			1	Q	1999/10/07	$0.00	A	1999/10/15
			1	J	1999/10/14	($2,500.00)	A	1999/10/15
343-43-3333	**WALKER**	**ANTOINE**						
343433333S00G02221001			1	N	1999/09/28	$2,640.00	A	1999/10/01
454-54-4444	**PECK**	**SEAN**						
454544444S00G02221001			1	N	1999/09/28	$2,640.00	A	1999/10/01

SSN / LOANID	NAME		NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
555-55-5555	BANNER	DAVID						
555555555U00G02221001			1	N	1999/10/07	$2,400.00	A	1999/10/08
555-55-6666	ARL	JOAN						
555556666P00G02221001			1	N	1999/09/08	$4,800.00	E	/ / *
555556666U00G02221001			1	N	1999/10/07	$480.00	A	1999/10/08
666-55-5555	ANTHONY	SUSAN						
666555555U00G02221001			1	N	1999/10/07	$480.00	A	1999/10/08
			1	J	1999/10/14	($480.00)	A	1999/10/15
666-66-7777	LEWINSKY	MONICA						
666667777P00G02221001			1	N	1999/09/08	$4,800.00	E	/ / *
777-77-7777	KRAFT	ROBERT						
777777777S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
777-77-8888	MARTIN	DEAN						
777778888S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
888-77-7777	PRESLY	ELVIS						
888777777S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
888-88-9999	LEE	BOB						
888889999S00G02221001			1	J	1999/10/14	($1,680.00)	A	1999/10/15

Booked Disbursements	*$40,267.00*
Booked Adjustments	*($11,681.00)*
Unbooked Disbursements	*$9,600.00*
Unbooked Adjustments	*$0.00*
Total	*$38,186.00*

**** = Booking Status is 'Unbooked' for this transaction.***

U.S. Department of Education
1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

****

Batch ID: AS0G022211999110412

Process Date: 11/04/1999

School Code: G02221

Month End: 10/31/1999

CASH SUMMARY

Beginning Balance		$23,101.00
Cash Receipts	$26,766.00	
Excess Cash	$11,681.00	
Total Cash Receipts		$15,085.00
Net Booked Disb. Actual	$40,267.00	
Net Booked Disb. Adjustments	($11,681.00)	
Total Net Booked Loan Detail		$28,586.00
Ending Cash Balance		$9,600.00
Net Unbooked Disb. Actual	$0.00	
Net Unbooked Disb. Adjustments	$0.00	
Total Net Unbooked Loan Detail		$0.00
Adjusted Ending Cash Balance		$9,600.00

The LOC's Ending Cash Balance represents the Departement's official cash balance for your school at the end of the current month. This ending cash balance from the LOC's records will be used by the Department to monitor the cash activity and balances at your school. If your records do not agree, please notify your Customer Service Representative IMMEDIATELY.

U.S. Department of Education
1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

****

Batch ID: AS0G022211999110412

Process Date: 11/04/1999

School Code: G02221

Month End: 10/31/1999

CASH DETAIL

TRANS TYPE	DATE	AMOUNT	GAPS CONTROL#	CHECK#
Cash Receipt	10/04/1999	$26,766.00	1021333555500	
Excess Cash	10/17/1999	$11,681.00		000000099996

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11/04/1999 DLSAS_CashDetail *Page 1 of 1*

FinAid Office: DL System

Actual Disbursements Batch Report

[DATE]='19991007'

SSN / LOANID	NAME		NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
111-11-1111	**SUAREZ**	**RAOUL**						
111111111P00G02221001			1	N	1999/10/07	$4,800.00	A	1999/10/08
111111111S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
111111111U00G02221001			1	N	1999/10/07	$480.00	A	1999/10/08
111-11-2222	**HAMILTON**	**ALEX**						
111112222P00G02221001			1	N	1999/10/07	$4,800.00	A	1999/10/08
111112222S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
111112222U00G02221001			1	N	1999/10/07	$480.00	A	1999/10/08
111-22-1111	**WASHINGTON**	**GEORGE**						
111221111P00G02221001			1	N	1999/10/07	$4,800.00	A	1999/10/08
111221111S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
111221111U00G02221001			1	N	1999/10/07	$480.00	A	1999/10/08
333-33-4444	**JORDAN**	**MICHAEL**						
333334444U00G02221001			1	Q	1999/10/07	$0.00	A	1999/10/15
555-55-5555	**BANNER**	**DAVID**						
555555555U00G02221001			1	N	1999/10/07	$2,400.00	A	1999/10/08
555-55-6666	**ARL**	**JOAN**						
555556666U00G02221001			1	N	1999/10/07	$480.00	A	1999/10/08
666-55-5555	**ANTHONY**	**SUSAN**						
666555555U00G02221001			1	N	1999/10/07	$480.00	A	1999/10/08
777-77-7777	**KRAFT**	**ROBERT**						
777777777S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
777-77-8888	**MARTIN**	**DEAN**						
777778888S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
888-77-7777	**PRESLY**	**ELVIS**						
888777777S00G02221001			1	N	1999/10/07	$1,261.00	A	1999/10/08
Total						*$26,766.00*		

** = Booking Status is 'Unbooked' for this transaction.*

FinAid Office: DL System

Actual Disbursements Batch Report

[DATE]='19991014'

SSN / LOANID	NAME		NUM		DATE	AMOUNT	DISB. STATUS	BOOKED DATE
111-11-1111	**SUAREZ**	**RAOUL**						
111111111P00G02221001			1	J	1999/10/14	($4,800.00)	A	1999/10/15
111111111S00G02221001			1	J	1999/10/14	$419.00	A	1999/10/15
333-33-4444	**JORDAN**	**MICHAEL**						
333334444S00G02221001			1	J	1999/10/14	($2,640.00)	A	1999/10/15
333334444U00G02221001			1	J	1999/10/14	($2,500.00)	A	1999/10/15
666-55-5555	**ANTHONY**	**SUSAN**						
666555555U00G02221001			1	J	1999/10/14	($480.00)	A	1999/10/15
888-88-9999	**LEE**	**BOB**						
888889999S00G02221001			1	J	1999/10/14	($1,680.00)	A	1999/10/15
Total						*($11,681.00)*		

** = Booking Status is 'Unbooked' for this transaction.*

APPENDIX A

PLAYING THE GAME

Three entities/players are involved in the game:

1. School's Direct Loan System (Financial Aid Administrator, FAA)
2. School's Business Office System (Business Officer)
3. Loan Origination Center (LOC)

Description of the school illustrated in the game:

- Small institute with a separate Business Office and Direct Loan System.
- Option 2/Level 1.
- Always draws down funds after it receives an accepted origination record and **signed** promissory note.
- Always draws down prior to disbursing funds.
- Disbursements are not student specific and may be used for other eligible borrowers.

Instructions for playing the game:

1. Start the game with a single month's worth of cards placed face down in the "Draw" pile, with card number 1 for that month at the top of the pile.
2. Each player should place the appropriate blank report sheet in front of him or her for use in tracking.
   a. The person playing the role of Business Officer this month should pull out the **School Business Office Report** sheet provided in this appendix and place it in front of him/her.
   b. The person playing the role of Financial Aid Administrator this month should pull out the **School Direct Loan Report** sheet provided in this appendix and place it in front of him/her.
   c. The person playing the role of the LOC this month should pull out the **LOC Report** sheet provided in this appendix and place it in front of him/her.
3. The FAA draws first. Take turns drawing cards in numbered order, moving clockwise, until all cards are drawn. Do not shuffle the deck at any time.
4. Cards should be placed face up in the discard pile once all corresponding actions have been taken. You may reference the discarded cards at any time.
5. There are three different types of cards used in this game. They are:
   a. Inform—These are information cards only. Pass the card to the appropriate player to symbolize communication between entities.
   b. Transmit—These cards symbolize the transmission of electronic data between entities. Pass the card to the appropriate player to demonstrate this transmission.
   c. Record—These cards represent transactions that will need to be recorded on the appropriate tracking sheet and on the game board. As each "Record" card is drawn, players will place or move money on the appropriate areas of the playing board and record the transaction on their tracking sheet, if appropriate. The board will display a visual total of each entity's recorded transactions, whereas the Report sheets will show each individual transaction that occurs during the processing month.
6. Pass drawn cards to the appropriate players (listed at the bottom of each card) to illustrate transfer of information between the different offices, before placing them on the discard pile.
7. At the end of the processing month:
   a. Each player should calculate the ending cash balance for his or her entity by totaling the columns on the Report sheet and then using the cash balance equation on the sheet.
   b. Each player should count the play money for each space on the game board and compare to his or her Report sheet, making any corrections needed.
   c. With each player using one of the **Game Reconciliation Worksheets** provided in this appendix, the three players should now share information and each complete an entire reconciliation worksheet for the month.

8. **Playing a new month.**
   a. After a month's reconciliation is complete, ask the instructor for the next month's set of cards. Remove the prior month's cards from the board and stack to the side of the game. Also, remove all funds from the board but make a note of the new beginning balance for each entity, writing it in the space provided on the board using the dry erase pen.
   b. Rotate to a new position on the board. If you played the first month as the FAA, rotate to the Business Office, and so on.
   c. Begin again at Step 2 above, with each player placing the appropriate blank report sheet in front of him or her for use in tracking.
9. Two months will be played in Session 4. One final month will be played in Session 5. Please keep boards and reconciliation worksheets intact so play can continue in the final session. When all three months' play has been completed and all accounts have been reconciled, the game is over. There will be a class discussion of the game and related concepts once all groups have completed play.

Game Rules:

1. All disbursements are unbooked **until** they are acknowledged as booked.
   a. The only time money is moved from one area to another on the game board is when disbursements and adjustments go from **unbooked** to **booked**. Remember the money is only a symbolic representation of the total amount of each type of activity.
   b. When moving amounts from unbooked to booked on the Report sheet, **subtract** the amount that **booked** from the **unbooked** column and **add** it to the **booked** column on the same line.
2. All instructions should be followed exactly as written. Unless directed to do so, you should not take any additional actions during play. **Very important:** you should place or move money on the board and make entries on your Report sheet **only** in response to "Record" cards.
3. There are two colors of money, to be used as follows:
   a. Black = upward adjustments and all other transactions except downward adjustments.
   b. Red = downward adjustments only that you are backing out.
4. Use the following when filling out the report sheets and reconciliation worksheets:
   a. Drawdowns, excess cash, disbursements, and upward adjustments will always be recorded as positive numbers (black money).
   b. Downward adjustments will always be recorded as negative numbers (red money).
5. **Hint**! Unless otherwise indicated, all transactions occur in the 1999-2000 academic year.
6. The school starts the game with a beginning cash balance of zero.

SCHOOL BUSINESS OFFICE REPORT

Beginning Balance _____ For Month Ending _____

CARD #	DATE	DRAWDOWNS	EXCESS CASH	DISBURSEMENTS	ADJUSTMENTS
TOTALS					

Beginning Balance	+	Draw-downs	-	Excess Cash	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
	+		-		-		-		=	

SCHOOL DIRECT LOAN REPORT

Beginning Balance _____ **For Month Ending** _____

CARD #	DATE	DISBURSEMENTS		ADJUSTMENTS	
		Unbooked	Booked	Unbooked	Booked
TOTALS					

Beginning Balance	+	Draw-downs*	-	Excess Cash*	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
	+		-		-		-		=	

Get Drawdown and Excess Cash totals from the Business Office Records to insert into the above equation.

Remember, only **booked** disbursement records are included in the Ending Cash Balance at the LOC.

LOC REPORT—Cutting Edge Technical College Account

Beginning Balance _____ For Month Ending _____

CARD #	DATE	DRAWDOWNS	EXCESS CASH	DISBURSEMENTS		ADJUSTMENTS	
				Unbooked	Booked	Unbooked	Booked
TOTALS							

Beginning Balance	+	Draw-downs	-	Excess Cash	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
	+		-		-		-		=	

Remember, only **booked** disbursement records are included in the Ending Cash Balance at the LOC.

GAME RECONCILIATION WORKSHEET

For Month Ending: _____

	SCHOOL'S BUSINESS OFFICE:	SCHOOL'S BOOKED DIRECT LOAN:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance	$	$	$	
Drawdowns	$	$	$	
Excess Cash Returned	$	$	$	
Total Net Cash Receipts	$	$	$	
Disbursements	$	$	$	
Adjustments	$	$	$	
Total Disbursed	$	$	$	
Ending Cash Balance	$	$	$	

BOOKED

	SCHOOL'S BOOKED DIRECT LOAN:	LOC DLSAS:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance	$	$	$	
Drawdowns	$	$	$	
Excess Cash Returned	$	$	$	
Total Net Cash Receipts	$	$	$	
Disbursements	$	$	$	
Adjustments	$	$	$	
Total Disbursed	$	$	$	
Ending Cash Balance	$	$	$	

UNBOOKED

	SCHOOL'S UNBOOKED DIRECT LOAN:	LOC DLSAS:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR UNBOOKED:
Disbursements	$	$	$	
Adjustments	$	$	$	
Total Unbooked	$	$	$	

GAME RECONCILIATION WORKSHEET

For Month Ending: _____

	SCHOOL'S BUSINESS OFFICE:	SCHOOL'S BOOKED DIRECT LOAN:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance	$	$	$	
Drawdowns	$	$	$	
Excess Cash Returned	$	$	$	
Total Net Cash Receipts	$	$	$	
Disbursements	$	$	$	
Adjustments	$	$	$	
Total Disbursed	$	$	$	
Ending Cash Balance	$	$	$	

BOOKED

	SCHOOL'S BOOKED DIRECT LOAN:	LOC DLSAS:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance	$	$	$	
Drawdowns	$	$	$	
Excess Cash Returned	$	$	$	
Total Net Cash Receipts	$	$	$	
Disbursements	$	$	$	
Adjustments	$	$	$	
Total Disbursed	$	$	$	
Ending Cash Balance	$	$	$	

UNBOOKED

	SCHOOL'S UNBOOKED DIRECT LOAN:	LOC DLSAS:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR UNBOOKED:
Disbursements	$	$	$	
Adjustments	$	$	$	
Total Unbooked	$	$	$	

GAME RECONCILIATION WORKSHEET

For Month Ending: _____

	SCHOOL'S BUSINESS OFFICE:	SCHOOL'S BOOKED DIRECT LOAN:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance	$	$	$	
Drawdowns	$	$	$	
Excess Cash Returned	$	$	$	
Total Net Cash Receipts	$	$	$	
Disbursements	$	$	$	
Adjustments	$	$	$	
Total Disbursed	$	$	$	
Ending Cash Balance	$	$	$	

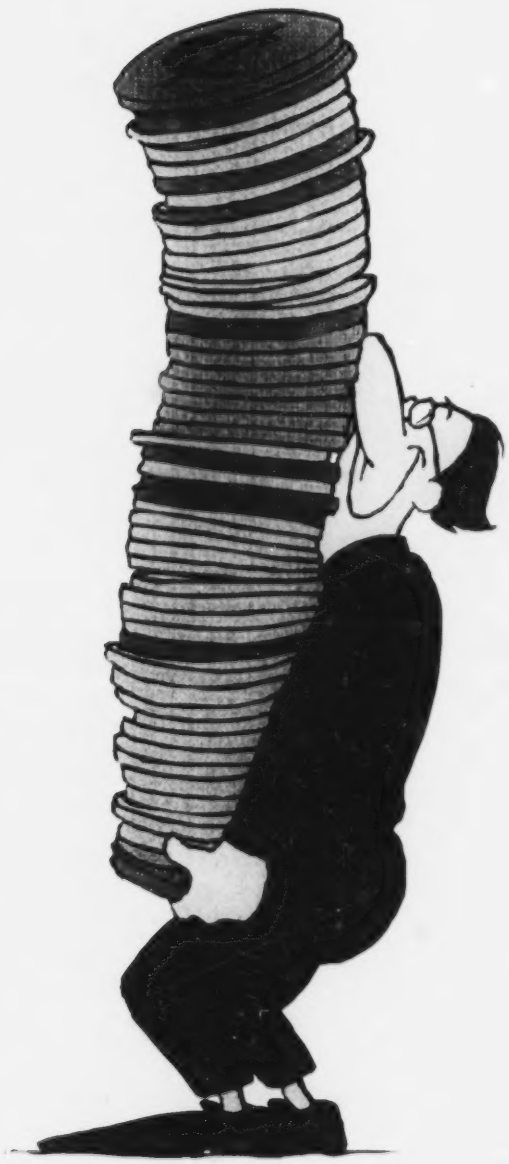
BOOKED	SCHOOL'S BOOKED DIRECT LOAN:	LOC DLSAS:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance	$	$	$	
Drawdowns	$	$	$	
Excess Cash Returned	$	$	$	
Total Net Cash Receipts	$	$	$	
Disbursements	$	$	$	
Adjustments	$	$	$	
Total Disbursed	$	$	$	
Ending Cash Balance	$	$	$	

UNBOOKED	SCHOOL'S UNBOOKED DIRECT LOAN:	LOC DLSAS:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR UNBOOKED:
Disbursements	$	$	$	
Adjustments	$	$	$	
Total Unbooked	$	$	$	

APPENDIX

B

CASH MANAGEMENT



REFUND OF LOAN FEE: THE 120-DAY RULE

Refund (credit) of loan fee is given if—

School returns proceeds

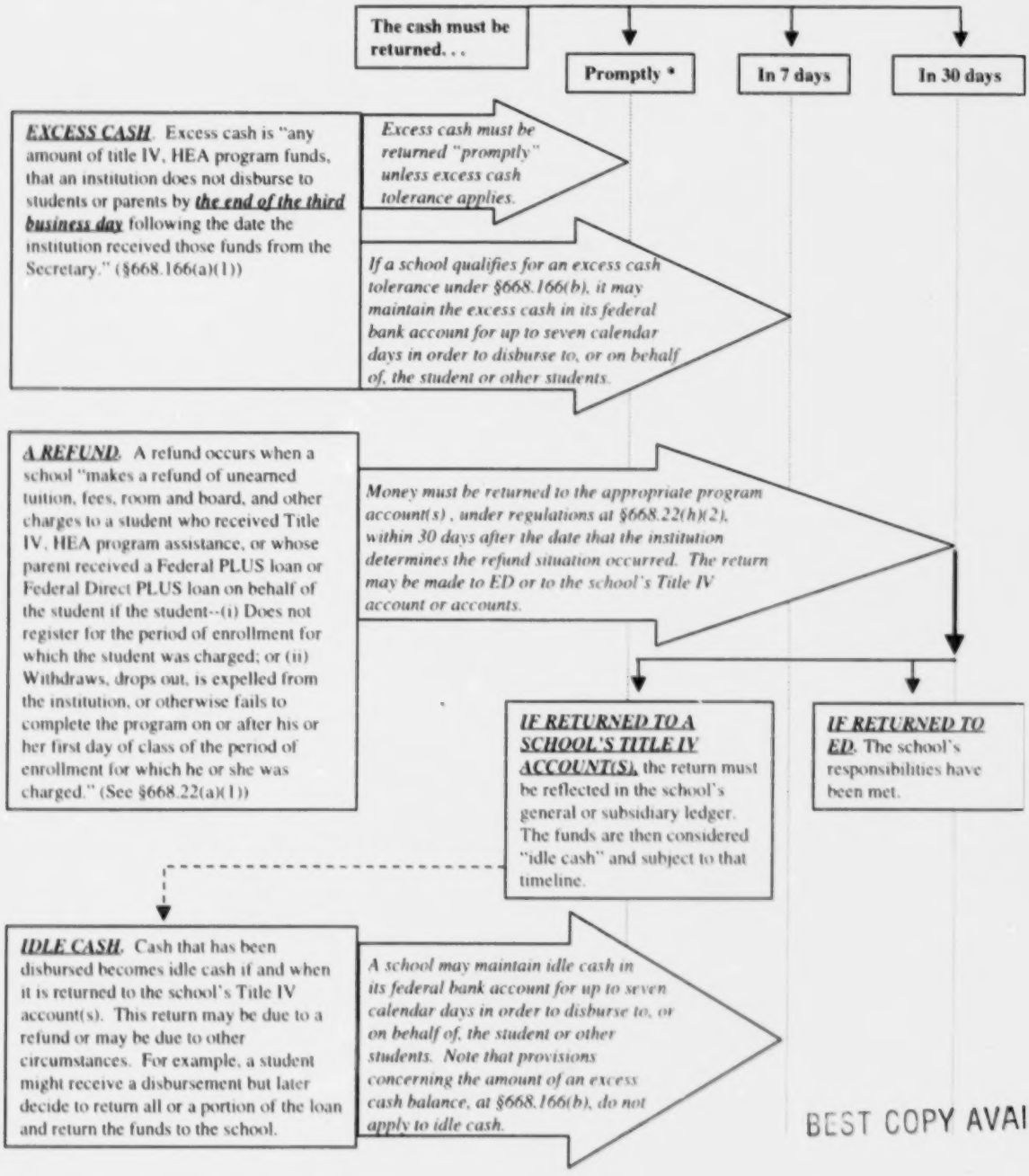
Within 120 days of disbursement	***Always***
More than 120 days after disbursement	***Only if complying with regulations/HEA***

Borrower returns proceeds

Within 120 days of disbursement	Not in repayment	***Always, unless written instructions otherwise***
	In repayment	***Only if written instructions***
More than 120 days after disbursement	***No refund allowed***	

Cash Return Timelines

(Note that guidance below generally applies to Pell, Direct Loan, FSEOG, Perkins, and FWS funds. FFEL timelines for disbursing funds are slightly different, and are described at §668.167.)


The cash must be returned. . .
Promptly *
In 7 days
In 30 days
EXCESS CASH. Excess cash is "any amount of title IV, HEA program funds, that an institution does not disburse to students or parents by the end of the third business day following the date the institution received those funds from the Secretary." (§668.166(a)(1))
Excess cash must be returned "promptly" unless excess cash tolerance applies.
If a school qualifies for an excess cash tolerance under §668.166(b), it may maintain the excess cash in its federal bank account for up to seven calendar days in order to disburse to, or on behalf of, the student or other students.
A REFUND. A refund occurs when a school "makes a refund of unearned tuition, fees, room and board, and other charges to a student who received Title IV, HEA program assistance, or whose parent received a Federal PLUS loan or Federal Direct PLUS loan on behalf of the student if the student--(i) Does not register for the period of enrollment for which the student was charged; or (ii) Withdraws, drops out, is expelled from the institution, or otherwise fails to complete the program on or after his or her first day of class of the period of enrollment for which he or she was charged." (See §668.22(a)(1))
Money must be returned to the appropriate program account(s), under regulations at §668.22(h)(2), within 30 days after the date that the institution determines the refund situation occurred. The return may be made to ED or to the school's Title IV account or accounts.
IF RETURNED TO A SCHOOL'S TITLE IV ACCOUNT(S), the return must be reflected in the school's general or subsidiary ledger. The funds are then considered "idle cash" and subject to that timeline.
IF RETURNED TO ED. The school's responsibilities have been met.
IDLE CASH. Cash that has been disbursed becomes idle cash if and when it is returned to the school's Title IV account(s). This return may be due to a refund or may be due to other circumstances. For example, a student might receive a disbursement but later decide to return all or a portion of the loan and return the funds to the school.
A school may maintain idle cash in its federal bank account for up to seven calendar days in order to disburse to, or on behalf of, the student or other students. Note that provisions concerning the amount of an excess cash balance, at §668.166(b), do not apply to idle cash.

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* A "prompt" return of excess cash is a return that is made in a timely manner. The timetable for returning cash "promptly" may vary slightly from school to school, but a school is generally expected to return the excess cash within two or three days.

EXCERPT FROM 34 CFR 668.166
EXCESS CASH REGULATIONS

(b) Excess cash tolerances.

(1) If an institution draws down title IV, HEA program funds in excess of its immediate cash needs, the institution may maintain the excess cash balance in the account the institution established under Sec. 668.164 only if—

(i) In the award year preceding that drawdown, the amount of that excess cash balance is less than—

(A) For a period of peak enrollment at the institution during which that drawdown occurs, three percent of its total prior-year drawdowns; or

(B) For any other period, one percent of its total prior-year drawdowns; and

(ii) Within the next seven days, the institution eliminates its excess cash balance by disbursing title IV, HEA program funds to students or parents for at least the amount of that balance.

(2) For the purposes of this section, a period of peak enrollment at an institution occurs when at least 25 percent of the institution's students start classes during a given 30-day period. For any award year, an institution calculates the percentage of students who started classes during a given 30-day period by—

(i) For the prior award year in which the 30-day period began, determining the number of students who started classes during that period;

(ii) Determining the total number of students who started classes during the entire award year used in paragraph (b)(2)(i) of this section;

(iii) Dividing the number of students in paragraph (b)(2)(i) of this section by the number of students in paragraph (b)(2)(ii) of this section; and

(iv) Multiplying the result obtained in paragraph (b)(2)(iii) of this section by 100.

(3) For the purpose of determining the total amount of title IV, HEA program funds under paragraph (b)(1)(i) of this section, an institution that participates in the Direct Loan Program may include, for the latest year for which the Secretary has complete data, the total amount of loans guaranteed under the FFEL Program for students attending the institution during that year.

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IDLE CASH SCENARIOS (For answers, see Appendix D)

Sheila receives a loan disbursement but decides to return a portion of the disbursement the next week because she doesn't need it. What does the school do with this idle cash?

Scenario 1: The school leaves the funds in its Title IV account and does not send them as a prepayment to the Direct Loan Servicing Center.

Question 1. Should the school adjust the disbursement **downward** on the school's Direct Loan System? ____

Question 2. Should the school send idle funds to the **LOC** within 7 days?

A. Option 1/Standard schools: ____

B. Option 2 schools: ____

Scenario 2: The school sends a check with borrower information to the Direct Loan Servicing Center as a prepayment on Sheila's loan.

Question 1. Should the school adjust the loan record in the school's Direct Loan System? ____

Question 2. Should the school send money to the LOC? ____

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120-DAY RULE SCENARIOS (For answers, see Appendix D)

Scenario 1A: Carlos receives a loan disbursement but decides to return a portion of the disbursement to the school within 120 days of disbursement because he doesn't need it.

Question 1. Should the school adjust the loan in its Direct Loan System? ____

Question 2. Should the school send unused funds to the LOC? ____

Question 3. Should the student be charged interest and origination fees? ____

Scenario 1B: Linda receives a loan disbursement but decides to return a portion of the disbursement to the school more than 120 days after disbursement because she doesn't need it.

Question 1. Should the school adjust the loan in its Direct Loan System? ____

Question 2. Should the school send unused funds to the LOC? ____

Question 3. Should the student be charged interest and origination fees? ____

Scenario 2: The school calculates a refund for Daryl. More than 120 days have passed since the loan was disbursed to him.

Question 1. Should the school adjust the loan in its Direct Loan System? ____

Question 2. Should the school send unused funds to the LOC? ____

Question 3. Should the student be charged interest and origination fees? ____

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APPENDIX C

REPORTS AND LOGS

DIRECT LOAN DATA TRANSMISSION LOG

Direct Loan System			EDConnect				DL System		
Batch ID#	Export File Name (Message Class) (Date)	Batch Size	File Sent ✓ (Initials)	Date	Received File Name (Message Class) (Date)	Date	Batch Size	File Imported ✓ (Initials)	Date
#D0G9123419990901090158	DESF00IN.DAT 9/1/99	12	AAC	9/2/99	DISF00OP.DAT 9/5/99	9/6/99	12	AAC	9/6/99

1999-00 DIRECT LOAN REPORTS

SCHOOL GENERATED REPORTS

The examples below illustrate reports that could be developed in any type of system or run in EDExpress.

Loan Origination List

May be designed to:

- Identify any loan origination records that are not in an "A" (accepted) status so a school can resolve any issues and resubmit the origination record to the LOC.
- Compare against internal records.

The Loans list provides the user with information regarding the loan records on the system, including the loan ID, borrower's name, type of loan, loan amount approved, loan amount requested, loan origination status, and loan origination date.

```
Report Date: 09/18/1999      U.S. DEPARTMENT OF EDUCATION                    PAGE:   1
Report Time:     15:53:34  1999-2000 Federal Direct Loan Program
                                  List Loans
                                  (ALL RECORDS)                    Sort: Last Name
        THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************

Borrower's Name                  Current SSN
Student's Name                   Loan     Grd       Loan Amount     Loan/Cred     Orig
LOANID                           Type     Lvl     Approved/Req      Status        Date
LOR BATCH ID
------------------------------   ----------   ----------------   ----------   ----------
ALBRIGHT, MADELINE L.            454-54-5454
454545454S00G02221001             S        5    $ 5,500  $ 5,500   E          05/17/1999
    #D0G022211990608164553
Subtotal                                       $ 5,500  $ 5,500

ANTHONY, MOMMY L.                666-55-5555
ANTHONY, SUSAN B.
666555555P00G02221001             P        4    $ 10,000 $ 10,000  A    A     05/17/1999
    PF0G022211990608164817

ANTHONY, SUSAN B.                666-55-5555
666555555S00G02221001             S        4    $ 3,500  $ 3,500   A          05/17/1999
    #D0G022211990608164553
Subtotal                                       $ 13,500 $ 13,500

CATHER, WILLA                    555-66-7777
555667777S00G02221001             S        5    $ 4,500  $ 4,500   B          09/18/1999
    #D0G022211990918133853
Subtotal                                       $ 4,500  $ 4,500

PARKS, ROSA                      222-33-4444
222334444S00G02221001             S        3    $ 3,500  $ 3,500   R          09/18/1999

Subtotal                                       $ 3,500  $ 3,500
```

*This report is called **List - Loans** in EDExpress 99-00.*

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Promissory Note List

May be designed to:

- Identify the status of your promissory notes. For example:
  - Identify any promissory note records that are in a "P" (printed) status but not signed. This could indicate that you have not received a signed promissory note from the borrower or that the record has not been updated to a signed status.
  - Identify records that have not been manifested but are in an "S" (signed) status. If there is no date in the manifest date field, then the record needs to be manifested and sent to the LOC.
  - Identify records that are in an "S" (signed) status and manifested but not acknowledged. The school will want to verify that the manifest batch was transmitted to the LOC and the acknowledgement was pulled into their software to update records.

The report prints the loan ID, borrower's name, promissory note status, promissory note indicator, promissory note received date, and manifest date.

```
Report Date: 09/18/1999    U.S. DEPARTMENT OF EDUCATION                    PAGE:   1
Report Time:     16:35:46  1999-2000 Federal Direct Loan Program
                           List - Promissory Notes
                              (ALL RECORDS)                        Sort: Last Name
    THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BORROWER'S  NAME                CURRENT
STUDENT'S  NAME                 SSN       PRINT                                  MANIFEST
LOAN  ID                        LOAN      PNOTE  SEQ#/   RECEIVED    ACCEPTED  PRINT
PROM  NOTE  BATCH  ID           TYPE      STAT   IND.     DATE        SEQ#      DATE
PROM  NOTE  ACCEPTED  LOAN  ID
---------------------------  -------  -----  ------  ----------  --------  ----------
ALBRIGHT,  MADELINE  L          454-54-5454
454545454S00G02221001             S        E      2
                                                  O

ALCOTT,  LOUISA  M              343-43-4343
343434343S00G02221001             S        X      2      06/18/1999          06/18/1999
#A0G022211999061811362B                           O

ANTHONY,  SUSAN  B              666-55-5555
666555555U00G02221001             U        A      1
                                                  O
666555555S00G02221001

ANTHONY,  SUSAN  B              666-55-5555
666555555S00G02221001             S        A      2      06/18/1999          06/18/1999
#A0G022211999061811362B                           O
666555555S00G02221001

OAKLEY,  ANNIE                  333-22-1111
333221111U00G02221001             U        R      0
                                                  O
OAKLEY,  ANNIE                  333-22-1111
333221111S00G02221001             S        S      1      09/18/1999
```

*This report is called **List - Promissory Notes** in EDExpress 99-00.*

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Pending Disbursement Report

May be designed to:

- Identify any non-canceled anticipated disbursements with no corresponding actual disbursements.
- Determine funding needs.
- Identify unrecorded disbursements.

The list includes borrower name, loan ID, loan type, disbursement number, disbursement date, and the gross and net disbursement amount. The list includes summary totals that provide the total dollar amount of gross and net disbursements included in the list for each loan type, as well as a total for all loan types.

Report Date: 09/27/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 10:27:40 1999-2000 Federal Direct Loan Program
Anticipated Disbursements List
(ALL RECORDS) Sort: Last Name
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Borrower's Name / Student's Name / Origination Loan ID	Loan Type / Disb Num	Anticipated Date / Gross / Net	Actual Date / Gross / Net / Action Type	Adjusted Disb Date
		09/07/1999		
BLAIR, BONNY L.		$2,750.00	$0.00	
	S	$2,640.00	$0.00	
232323232S00G02221001	1			
		01/10/2000		
BLAIR, BONNY L.		$2,750.00	$0.00	
	S	$2,640.00	$0.00	
232323232S00G02221001	2			
		01/10/2000		
FOSSEY, DIANE L.		$1,312.00	$0.00	
	S	$1,260.00	$0.00	
888777777S00G02221001	2			
		01/10/2000		
STANTON, MOTHER L.		$5,000.00	$0.00	
STANTON, ELIZABETH	P	$4,800.00	$0.00	
222223333P00G02221001	2			
		01/10/2000		
STANTON, ELIZABETH		$1,750.00	$0.00	
	S	$1,680.00	$0.00	
222223333S00G02221001	2			
		ANTICIPATED	ACTUAL	
SUBSIDIZED STAFFORD LOANS				
Total Gross Disbursements		$8,562.00	$0.00	
Total Net Disbursements		$8,220.00	$0.00	
UNSUBSIDIZED STAFFORD LOANS				
Total Gross Disbursements		$0.00	$0.00	
Total Net Disbursements		$0.00	$0.00	
PLUS LOANS				
Total Gross Disbursements		$5,000.00	$0.00	
Total Net Disbursements		$4,800.00	$0.00	
Total Gross Disbursements (ALL)		$13,562.00	$0.00	
Total Net Disbursements (ALL)		$13,020.00	$0.00	

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*This report is called **List - Anticipated Disbursements** in EDExpress 99-00.*

Actual Disbursement Report

May be designed to:

- Identify all actual disbursements.
- Identify the disbursement status of all actual disbursements, which can determine any actual disbursement not in an "A" status. For example:
  - If the report shows a disbursement status of "R," the disbursement needs to be batched and transmitted to the LOC.
  - If the report shows a disbursement status of "B," the school needs to verify that the batch was transmitted to the LOC. The acknowledgement may need to be pulled into the system to update the records.
  - If the disbursement status shows an "E," the disbursement has been rejected at the LOC and the school should resolve any problems and resubmit.
- Identify whether the actual disbursement is booked or unbooked.

The list includes borrower name, loan ID, disbursement batch, disbursement number, disbursement date, disbursement action type (disbursement or adjustment), disbursement amount, disbursement status, and booked status. The list also includes summary totals that provide the total dollar amount of disbursements included in the list for each loan type, as well as a total for all loan types.

Report Date: 09/27/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 11:05:14 1999-2000 Federal Direct Loan Program
List - Actual Disbursements
(ALL RECORDS) Sort: Last Name
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Borrower's Name / Student's Name / Loan ID / Disb. Batch ID	Current SSN / Disb#/Type / Date	Amount	Disb. Sts	Booked Sts
ANTHONY, MOMMY L.	666555555			
ANTHONY, SUSAN B.				
666555555P00G02221001	1 N			
#H0G022211999090712310 6	09/07/1999	$ 4,800	A	Booked
666555555S00G02221001	1 N			
#H0G022211999090712310 6	09/07/1999	$ 1,680	A	Booked
666555555U00G02221001	1 N			
#H0G022211999100718355 6	10/07/1999	$ 480	A	Booked
666555555U00G02221001	1 J			
#H0G022211999101418553 0	10/14/1999	$ -480	A	Booked
Subtotal		$ 6,480		
PERON, EVA L.	454544444			
454544444S00G02221001	1 N			
#H0G022211999092817245 3	09/28/1999	$ 2,640	A	Booked
454544444S00G02221001	1 Q			
	09/14/1999	$ 0	R	Unbooked
Subtotal		$ 2,640		
SHELLY, MARY L.	888889999			
888889999S00G02221001	1 N			
#H0G022211999090712310 6	09/07/1999	$ 1,680	A	Booked
888889999S00G02221001	1 J			
#H0G022211999101418553 0	10/14/1999	$ -1,680	A	Booked
Subtotal		$ 0		

This report is called ***List - Actual Disbursements*** *in EDExpress 99-00. Choose* ***Gross, Net or Gross, Fee, and Net*** *as the Report Type.*

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Booked Status Measurement Report

May be designed to:

- Identify and resolve loans with booking problems. For example:
  - This report lists all loans with all three status flags (origination, promissory note, and disbursement). If one or more of these status flags is not in an "A" status, the school needs to research and resolve those items.
- Compare EDExpress Direct Loan data to LOC data received in the Direct Loan School Account Statement.
- Analyze the bottlenecks in processing. For example, if there are a lot of records in a "B" status, it could indicate that records are being batched but not transmitted.

This report lists booked and unbooked records with an accepted origination status in your database up to a given end date. Records will print on this report only if they have an actual disbursement posted.

For a given end date, the Booked Records section includes all records that have actual disbursements from the beginning of the year up through the end date with a booked status of "A" (accepted).

For the period from the beginning of the year to the end date, the Unbooked Records section includes all records that have actual disbursements with a booked status of "E" (unbooked/rejected) or "R" (ready).

The report includes the following data: borrower's name, loan ID, current SSN, origination status, promissory note status, disbursement status, disbursement number, disbursement type, disbursement amount, and disbursement date. It also includes the total number of booked and unbooked disbursements, adjustments, and cancellations and the percentage of records in each status for origination, promissory note, and disbursement records.

(Refer to sample report on the next page.)

Report Date: 09/27/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 11:31:40 1999-2000 Federal Direct Loan Program
Booked Status Measurement Report
(ALL RECORDS) Sort: Last Name
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Reported Period to:
Booked Records

Borrower's Name / Student's Name / Loan ID	Current SSN	Orig Sts	PNote Sts	Disb Sts/#	Disb Type	Disb Amt	Disb Date
BEECHER-STOW, DADDY L. BEECHER-STOW, HARRIET 555555555P00G02221001	555555555	A	A	A 1	N	$4,800	09/07/1999
EARHART, AMELIA L 777777777S00G02221001	777777777	A	A	A 1	N	$1,261	10/07/1999
FOSSEY, DIANE L. 888777777S00G02221001	888777777	A	A	A 1	N	$1,261	10/07/1999
FRANKLIN, BEN L. 133212121S00G02221001	133212121	A	A	A 1	N	$1,261	09/07/1999
GANDHI, MOHANDAS L. 343433333S00G02221001	343433333	A	A	A 1	N	$2,640	09/28/1999
GODDALL, JANE L. 101999999S00G02221001	101999999	A	A	A 1	N	$2,640	09/07/1999
KIRKPATRICK, JEAN 122222333U00G02221001	122222333	A	A	A 1	N	$2,640	09/28/1999
TRUTH, SOJOURNER L. 999888888S00G02221001	999888888	A	A	A 1	N	$1,680	09/07/1999
TUBMAN, DADDY L. TUBMAN, HARIETT 333222222P00G02221001	333222222	A	A	A 1	N	$4,800	09/07/1999

Total Booked Disbursements Actual: $22,983.00
Total Booked Net Adjustments: $0.00

B = Batched Origination Records:	0	0.00%
E = Rejected Origination Records:	0	0.00%
A = Accepted Origination Records:	9	100.00%
S = Signed Promissory Notes:	0	0.00%
S*= Prom Notes Sent on Manifest:	0	0.00%
E = Rejected Promissory Notes:	0	0.00%
X = Pending Promissory Notes:	0	0.00%
A = Accepted Promissory Notes:	9	100.00%
R = Ready Disbursement Records:	0	0.00%
B = Batched Disbursement Records:	0	0.00%
E = Rejected Disbursement Records:	0	0.00%
A = Accepted Disbursement Records:	9	100.00%

Total Records: 9

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*This report is called **Measurement - Booked Status** in EDExpress 99-00.*
The layouts for this report are in the 99-00 Direct Loan Technical Reference.

Report Date: 09/27/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 2
Report Time: 11:31:40 1999-2000 Federal Direct Loan Program
Booked Status Measurement Report
(ALL RECORDS) Sort: Last Name
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Reported Period to:
Records Not Booked

Borrower's Name / Student's Name / Loan ID	Current SSN	Orig Sts	PNote Sts	Disb Sts/#	Disb Type	Disb Amt	Disb Date
BEECHER-STOW, DADDY L. / BEECHER-STOW, HARRIET / 555555555P00G02221001	555555555	A	A	B 1	J	$0	09/14/1999
FRANKLIN, BEN L. / 133212121S00G02221001	133212121	A	A	B 1	J	$1,213	09/14/1999
OAKLEY, ANNIE / 333221111S00G02221001	333221111	B	S	R 1	N	$2,640	09/07/1999
TUBMAN, DADDY L. / TUBMAN, HARIETT / 333222222P00G02221001	333222222	A	A	B 1	J	$0	09/14/1999

Total Unbooked Disbursements Actual:		$2,640.00
Total Unbooked Net Adjustments:		$1,213.00
B = Batched Origination Records:	1	25.00%
E = Rejected Origination Records:	0	0.00%
A = Accepted Origination Records:	3	75.00%
S = Signed Promissory Notes:	1	100.00%
S*= From Notes Sent on Manifest:	0	0.00%
E = Rejected Promissory Notes:	0	0.00%
X = Pending Promissory Notes:	0	0.00%
A = Accepted Promissory Notes:	3	75.00%
R = Ready Disbursement Records:	1	25.00%
B = Batched Disbursement Records:	3	75.00%
E = Rejected Disbursement Records:	0	0.00%
A = Accepted Disbursement Records:	0	0.00%

Total Records: 4

*This is the second part of the report **Measurement - Booked Status** in EDExpress 99-00. The layouts for this report are in the 99-00 Direct Loan Technical Reference.*

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Cash Summary Report

May be designed to:

- Compare your data with cash summary data on the new Direct Loan School Account Statement (DLSAS) and research discrepancies.
- Evaluate cash flow.
- Reconcile cash with internal cash records.
- Provide summaries for specified periods (year-to-date, monthly, quarterly, etc.).
- Prepare budget projections for future cycles.

This report can be used to compare your institution's data with LOC data as reported in the Cash Summary section of the Direct Loan School Account Statement (DLSAS). The formats of the two reports should be similar.

This report shows an institution's cash position for any date range. The cash information is input by the school according to the information in its Business Office. Schools will probably want to run this type of report for the same date range as the information on the DLSAS report. The Cash Summary report has the following totals:

Beginning Cash Balance:
- Cash Receipts:
- Excess Cash Returned:
- Booked Disbursements Actual:
- Booked Disbursements Adjustments:
- Booked Disbursements Cancellations:
- Net Booked Disbursements:

Ending Cash Balance.

```
Report Date: 09/27/1999    U.S. DEPARTMENT OF EDUCATION                    PAGE:   1
Report Time: 11:21:47  1999-2000  Federal  Direct  Loan  Program
                                  List - Cash
                                 (ALL RECORDS)
     THIS  DOCUMENT  CONTAINS  SENSITIVE  INFORMATION  PROTECTED  BY  THE  PRIVACY  ACT
*******************************************************************************
Reported  Period:  09/01/1999  to  09/30/1999
Institution  Code:  G02221

Cash  Summary  -  School  Amounts

Beginning Cash Balance:                                                $139,745

      Cash Receipts:                                    $13,501
      Excess Cash Returned:                            $(28,829)
Total Cash Receipts:                                                   $(15,328)

      Net Booked Disb. Actual:                         $128,225
      Net Booked Disb. Adjustments:                          $0
Total Net Booked Loan Detail (Disbursements):                         $(128,225)

Ending Cash Balance:                                                    $(3,808)
```

*This report is called **List - Cash** in EDExpress 99-00.*
The layouts for this report are in the 99-00 Direct Loan Technical Reference.

LOC GENERATED REPORTS

The reports below are examples of some of the reports generated and transmitted electronically by the LOC.

Direct Loan School Account Statement (DLSAS)

The purpose of the report is to:

- Compare against your internal records.
- Compare against your Direct Loan System's records.

Once a month you will receive the Direct Loan School Account Statement (DLSAS), which contains the month's booking and cash activity. This is an LOC initiated process. The school does not need to send a file to receive this information. Each file contains data for one school code and one cycle year. The information in the DLSAS can be used in conjunction with the Cash Summary and Booked Status Measurement Tools to help identify any discrepancies.

Each DLSAS file contains three record types, each with a different record layout. The three sections of the DLSAS are:

- A cash summary record.
- A cash detail record for each cash transaction that occurred in the reported month.
- A loan detail record:
  - for each disbursement that was booked in the reported month.
  - for each disbursement that the LOC has received but does not consider booked.
  - for each disbursement considered accepted but not applied.

Cash Summary Record

The Cash Summary contains the LOC summary values for the DLSAS for the end of the reported month. It lists the beginning and ending cash balances as well as the sums of cash receipts, excess cash returned, booked actual disbursements, booked adjusted disbursements, cancelled disbursements, and unbooked disbursements.

Cash Detail Record

The Cash Detail is a list of cash receipts (drawdowns) and returns of excess cash that occurred during the current month. The date and amount of each transaction are given. The sum of the cash detail transactions should equal the amounts in the Cash Summary. Cash detail records are sorted in ascending transaction date order.

Loan Detail Record

The Loan Detail lists disbursements submitted by the school and accepted by the LOC. Loan detail status can be booked, unbooked, or accepted but not applied.

- **Booked**
  Each disbursement booked during the current month has a loan detail record. Booked loan detail records appear together, sorted in ascending loan ID order and then by disbursement sequence number.

- **Unbooked**
  The unbooked loan detail lists disbursements the LOC has received and accepted but for which it does not have an accepted promissory note. Unbooked loan detail records appear together, sorted in ascending loan ID order and then by disbursement sequence number.

- **Accepted but not applied**
  The last list shows the disbursement activity that has been accepted but not applied because of cancellations.

At the end of the Loan Detail section, totals are given for the number of disbursements that are booked, unbooked, and accepted but not applied, along with the number of unbooked actual disbursements, adjustments, and cancellations.

You can choose to exclude the Loan Detail section from the DLSAS files you receive from the LOC.

(Refer to sample reports on the next 2 pages.)

Report Date: 09/26/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 09:24:18 1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

BATCH ID: AS0G0222119991004113421
LOC Process Date: 10/04/1999

School Code: G02221
Month End: 09/30/1999

CASH SUMMARY

Beginning Balance:			$ 139,745
Cash Receipts:	$	13,501	
Excess Cash Returned:	$	28,829	
Total Cash Receipts			$ -15,328
Net Booked Disb. Actual:	$	114,724	
Net Booked Disb. Adjustments:	$	-13,408	
Total Net Booked Loan Detail			$ 101,316
Ending Cash Balance:			$ 23,101
Net Unbooked Disb. Actual:	$	5,000	
Net Unbooked Disb. Adjustments:	$	0	
Total Net Unbooked Loan Detail			$ 5,000
Adjusted Ending Cash Balance:			$ 18,101

******

The LOC's Ending Cash Balance represents the Department's official cash balance for your school at the end of the current month. This ending cash balance from the LOC's records will be used by the Department to monitor the cash activity and balances at your school. If your records do not agree, please notify your Customer Service Representative IMMEDIATELY.

******

Report Date: 09/26/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 2
Report Time: 09:24:18 1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

BATCH ID: AS0G0222119991004113421
LOC Process Date: 10/04/1999

School Code: G02221
Month End: 09/30/1999

CASH DETAIL RECORDS FOR THIS MONTH

TRANS TYPE	DATE	AMOUNT	GAPS CONTROL #	CHECK #
Cash Receipt	09/25/1999	$ 13,501	9876543211234	
Excess Cash	09/12/1999	$ 13,408		254987651ABC
Excess Cash	09/19/1999	$ 15,421		254987652ABC

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Report Date: 09/26/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 3
Report Time: 09:24:18 1999-2000 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

BATCH ID : AS0G02221199910041134 21
LOC Process Date: 10/04/1999

School Code: G02221
Month End: 09/30/1999

LOAN DETAIL RECORDS

BORROWER'S NAME / LOAN ID	DISB#/TYPE / DATE	LOC AMOUNT	STATUS	BOOKED DATE
SAYERS, DOROTHY	1 D		UNBOOKED	
222222222S00G02221001	09/07/1999	$ 5000	GROSS	
		$ 200	FEE	
		$ 4800	NET	
		$ 0	NET ADJUSTMENT	
BHUTO, BENIZAIR	1 D		BOOKED	09/08/1999
333333333S00G02221001	09/07/1999	$ 2750	GROSS	
		$ 110	FEE	
		$ 2640	NET	
		$ 0	NET ADJUSTMENT	
BHUTO, BENIZAIR	1 D		BOOKED	09/08/1999
333333333U00G02221001	09/07/1999	$ 500	GROSS	
		$ 20	FEE	
		$ 480	NET	
		$ 0	NET ADJUSTMENT	
BHUTO, DADDY L	1 D		BOOKED	09/08/1999
333333333P00G02221001	09/07/1999	$ 5000	GROSS	
		$ 200	FEE	
		$ 4800	NET	
		$ 0	NET ADJUSTMENT	
BHUTO, DADDY L	2 D		BOOKED	09/08/1999
333333333P00G02221001	09/07/1999	$ 5000	GROSS	
		$ 200	FEE	
		$ 4800	NET	
		$ 0	NET ADJUSTMENT	
POPPINS, MARY	1 D		BOOKED	09/08/1999
444444444S00G02221001	09/07/1999	$ 1313	GROSS	
		$ 52	FEE	
		$ 1261	NET	
		$ 0	NET ADJUSTMENT	
POPPINS, MARY	1 D		BOOKED	09/08/1999
444444444U00G02221001	09/07/1999	$ 500	GROSS	
		$ 20	FEE	
		$ 480	NET	
		$ 0	NET ADJUSTMENT	
BEECHER-STOW, HARRIET	1 D		BOOKED	09/08/1999
555555555S00G02221001	09/07/1999	$ 5000	GROSS	
		$ 200	FEE	
		$ 4800	NET	
		$ 0	NET ADJUSTMENT	
BEECHER-STOW, HARRIET	2 D		BOOKED	09/08/1999
555555555S00G02221001	09/07/1999	$ 5000	GROSS	
		$ 200	FEE	
		$ 4800	NET	
		$ 0	NET ADJUSTMENT	

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Loan Detail Exception Report for Booked and Unbooked Loans (DME)

The purpose of the report is to:

- Reaffirm that loans are booked at the LOC.
- Identify loans that are not booked at the LOC.

You have the option of sending an export file to the LOC for data matching. The LOC will return the Exception report indicating where the LOC data does not match yours. The report is an ASCII text file and can be either saved to a file name or printed when it is imported.

When you create the LOC Loan Detail file, you are asked to report on either YTD unbooked disbursements or all booked loan detail for the month of your choice.

If you select YTD Unbooked, EDExpress creates a file listing actual disbursements that do not have a booked status of "A" (accepted) as of the date on which you create the LOC Loan Detail file.

If you select All Booked Loan Detail for a month, EDExpress creates a file listing all booked disbursements for the month.

After the LOC receives your LOC Loan Detail report, it compares its data to your data and returns a report describing the mismatches. On the basis of the options you select when you send the LOC Loan Detail Report, the LOC sends a Loan Detail Exception Report for Booked Loans or a Loan Detail Exception Report for Unbooked Loans.

```
DL  HEADER  0079EDM299OP     G92516-LOCUNBOK19980906142335UB
Report Date: 10/06/1999        U. S. DEPARTMENT OF EDUCATION          Page:      1
Report Time: 02:22:55 PM         Federal Direct Loan Program
                      Data Matching Exception Report for Unbooked Loans
                                End Date of 09/30/1999

THIS  DOCUMENT  CONTAINS  SENSITIVE  INFORMATION  PROTECTED  BY  THE  PRIVACY  ACT

School ID: G02221     School Name: DISNEY INSTITUTE
No. of Attempts This Month:   1   Direct Loan Year: 05   File Processed: Accepted

Loan ID      Transaction  Disb Acty Seq Booked  Gross     Fee     Net      Adj     Man
                Date      No   Code  No  MMYY    Amt      Amt     Amt      Amt     Adj
-------------------------------------------------------------------------------------

998899889 S 00 G02221 001
     SCHOOL 09/14/1998    1    D     1          $1167.00 $46.00 $1121.00
     LOC    09/14/1998    1    D     1  09/1999 $1167.00 $46.00 $1121.00
     Difference                          *

     SCHOOL 09/30/1999    1    C     2          $1167.00  $46.00 $1121.00
     LOC
     Difference       *    *    *     *             *         *        *

111331111 P 99 G91234 001
     SCHOOL 08/31/1999    1    C     2          $1000.00 $40.00 $960.00
     LOC
     Difference       *    *    *     *             *         *        *

* indicates a difference between the school data and the LOC.
```

```
DL  HEADER  0079EDM1990P    G91234-LOCBOOK  19980906142334BK
Report Date: 10/06/1999        U. S. DEPARTMENT OF EDUCATION          Page:     1
Report Time: 02:22:55 PM         Federal Direct Loan Program
                       Data Matching Exception Report for Booked Loans
                              For the End Date of 09/30/1999

THIS  DOCUMENT  CONTAINS  SENSITIVE  INFORMATION  PROTECTED  BY  THE  PRIVACY  ACT

School  ID:  G02221    School  Name:  DISNEY  INSTITUTE
No.  of  Attempts  This  Month:    1    Direct  Loan  Year:  05    File  Processed:  Accepted

Loan ID       Transaction  Disb  Acty  Seq  Booked   Gross      Fee      Net       Adj     Man
                   Date      No    Code   No   MMYY     Amt       Amt      Amt       Amt     Adj
-------------------------------------------------------------------------------------------------

888667777  S  99  G91234  J01
     SCHOOL 08/30/1999     1      D      01  09/1999 $1167.00  $46.00  $1121.00
     LOC
     Difference        *    *     *     *      *         *         *         *

666886666  U  99  G91234  001
     SCHOOL 08/30/1999     1      D      01  09/1999 $772.00   $30.00  $742.00
     LOC
     Difference        *    *     *     *      *         *         *         *

555775555  P  99  G91234  001
     SCHOOL
     LOC    08/30/1999     1      D      01  09/1999 $1233.00  $49.00  $1184.00    M
     Difference        *    *     *     *      *         *         *         *

        * indicates a difference between the school data and the LOC.
        # indicates that the school submitted the record for a month that differs
          from the month for which the data match file was processed.

DL  TRAILER00790000120
```

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30 Day Warning Report

The purpose of the report is to:

- Identify any loans that have been originated but have not booked within 30 days.
- Identify what elements (origination, promissory note, or first disbursement record) are needed to book the loan.

The LOC sends the report if it has the origination record and has not received the promissory note in 30 days, or vice versa. The LOC rejects disbursement records received without an origination record.

The warning is only a notification of missing items. It does not update your database. This report does not tell the school whether it has neglected to make subsequent disbursements, adjustments, or cancellations.

```
REPORT DATE: 12/04/99          DEPARTMENT OF EDUCATION                    PAGE:     1
PROGRAM:                  DIRECT LOAN ORIGINATION SUBSYSTEM
                                30 DAY WARNING REPORT
                              For Academic Year 1999-00
                           FOR THE PERIOD ENDING 11/30/99

SCHOOL NAME: DISNEY INSTITUTE                  SCHOOL CODE: G02221
     ADDRESS: 1 GOOFY PLACE       ORLANDO, FL 11111-1111

Loans Pending Booking Section:

LOAN  LOAN ID                    BORR NAME                 DATE     DATA NEEDED:
TYPE                                                       RCVD     LOAN  PROM  DISB

  P   123456789P00G02225001   STEWART,  JAMES             09/26/99  OK      N     Y
  P   111111111P00G02225001   MACLEISH,  ARCHIBALD        10/08/99  OK      Y     Y
  P   222222222P00G02225002   HEPBURN,  AUDREY            11/19/99  CR      Y     Y
  P   333333333P00G02225001   HUDSON,  ROCK               11/02/99  OK      Y     Y
-------------------------------------------------------------------------------
TOTAL NUMBER PLUS               04
-------------------------------------------------------------------------------

  S   444444444S00G02225001   GARNER,  JAMES              07/28/99  OK      N     Y
  S   555555555S00G02225001   POITIER,  SIDNEY  N         07/21/99  OK      Y     N

-------------------------------------------------------------------------------
TOTAL NUMBER STAFFORD           02
-------------------------------------------------------------------------------

  U   666666666U00G02225001   GIBSON,  MEL                11/11/99  OK      N     Y
  U   777777777U00G02225001   GERE,  RICHARD              10/08/99  OK      N     Y
  U   999999999U00G02225002   ROBERTS,  JULIA             10/08/99  OK      Y     Y
  U   911111111U00G02225002   BRIDGES,  JEFF              10/13/99  OK      N     Y
  U   922222222U00G02225001   BRANAUGH,  KENNETH          09/10/99  OK      N     Y
  U   933333333U00G02225002   FRY,  STEPHEN               10/18/99  OK      Y     Y
  U   955555555U00G02225003   CRUISE,  TOM                07/04/99  OK      Y     Y
  U   977777777U00G02225001   BULLOCK,  SANDRA            07/28/99  OK      Y     N
  U   988888888U00G02225001   PULLMAN,  BILL              07/21/99  OK      N     Y
  U   991111111U00G02225001   BROSNAN,  PIERCE            07/21/99  OK      Y     Y
  U   992222222U00G02225001   CONNERY,  SEAN              08/19/99  OK      Y     Y
-------------------------------------------------------------------------------
TOTAL NUMBER STAFFORD (UNS)     11
-------------------------------------------------------------------------------

GRAND TOTAL                     17
-------------------------------------------------------------------------------
Promissory Notes Without Origination Records Section:

        Loan ID              Batch ID        Date Received    Note Amount
```

APPENDIX

D

ANSWERS TO SELECTED EXERCISES

THE CASH EQUATION—THE CHALLENGE BEGINS

(Session 2, Page 6)

BUSINESS OFFICE

DATES	DRAWDOWNS	RETURN OF EXCESS CASH	DISBURSEMENTS	ADJUSTMENTS
9/1/99			130,000	
9/7/99			7,500	
9/15/99	137,500			
9/21/99			25,000	
9/26/99			25,000	
9/28/99				5,000
9/30/99	50,000			
TOTALS	**187,500**		**187,500**	**5,000**

BUSINESS OFFICE

$0	+	$187,500	−	$0	−	$187,500	−	$0	+	$5,000	=	$5,000
Beginning Cash Balance		Drawdowns		Return of Excess Cash		Disbursements		Upward Adjustments		Downward Adjustments		Ending Cash Balance

THE CASH EQUATION—THE CHALLENGE CONTINUES

(Session 3, Page 6)

FINANCIAL AID OFFICE

DATES	DISBURSEMENTS	ADJUSTMENTS
9/1/99	130,000	
9/7/99	7,500	
9/21/99	25,000	
9/26/99	25,000	
TOTALS	**187,500**	

FINANCIAL AID OFFICE

Beginning Cash Balance	+	Drawdowns *from Business Office	−	Return of Excess Cash *from Business Office	−	Disbursements	−	Upward Adjustments	+	Downward Adjustments	=	Ending Cash Balance
$0	+	$187,500*	−	$0*	−	$187,500	−	$0	+	$0	=	$0

THE CASH EQUATION—THE FINAL CHALLENGE

(Session 4, Page 3)

LOAN ORIGINATION CENTER

DATES	DRAWDOWNS	RETURN OF EXCESS CASH	DISBURSEMENTS	ADJUSTMENTS
9/1/99			130,000	
9/7/99			7,500	
9/15/99	137,500			
9/21/99			25,000	
9/30/99	50,000			
TOTALS	**187,500**		**162,500**	

LOAN ORIGINATION CENTER

$0	+	$187,500	−	$0	−	$162,500	−	$0	+	$0	=	$25,000
Beginning Cash Balance		Drawdowns		Return of Excess Cash		Disbursements		Upward Adjustments		Downward Adjustments		Ending Cash Balance

SCHOOL BUSINESS OFFICE REPORT

Beginning Balance $0 For Month Ending 8/31/99

CARD #	DATE	DRAWDOWNS	EXCESS CASH	DISBURSEMENTS	ADJUSTMENTS
A-2	8/5/99	$25,000			
A-3	8/6/99			$25,000	
A-10	8/14/99				($5,000)
A-11	8/17/99		$5,000		
A-17	8/31/99	$50,000			
TOTALS		$75,000	$5,000	$25,000	($5,000)

Beginning Balance	+	Draw-downs	-	Excess Cash	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
$0	+	$75,000	-	$5,000	-	$25,000	-	- $5,000	=	$50,000

TRIPLE PLAY—MONTH 1

(Session 4, Page 6)

SCHOOL DIRECT LOAN REPORT

Beginning Balance $0 **For Month Ending** 8/31/99

CARD #	DATE	DISBURSEMENTS Unbooked	DISBURSEMENTS Booked	ADJUSTMENTS Unbooked	ADJUSTMENTS Booked
A-4	8/6/99	$25,000			
A-8	8/13/99	($25,000)	$25,000		
A-9	8/14/99			($5,000)	
A-16	8/25/99			$5,000	($5,000)
TOTALS		$0	$25,000	$0	($5,000)

Beginning Balance	+	Draw-downs*	-	Excess Cash*	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
$0	+	$75,000	-	$5,000	-	$25,000	-	- $5,000	=	$50,000

**Get Drawdown and Excess Cash totals from the Business Office Records to insert into the above equation.*

Remember, only **booked** disbursement records are included in the Ending Cash Balance at the LOC.

LOC REPORT—Cutting Edge Technical College Account

Beginning Balance $0 **For Month Ending** 8/31/99

CARD #	DATE	DRAWDOWNS	EXCESS CASH	DISBURSEMENTS Unbooked	DISBURSEMENTS Booked	ADJUSTMENTS Unbooked	ADJUSTMENTS Booked
A-2	8/5/99	$25,000					
A-6	8/13/99				$25,000		
A-11	8/21/99		$5,000				
A-13	8/25/99						($5,000)
A-17	8/31/99	$50,000					
TOTALS		$75,000	$5,000	$0	$25,000	$0	($5,000)

Beginning Balance	+	Draw-downs	-	Excess Cash	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
$0	+	$75,000	-	$5,000	-	$25,000	-	- $5,000	=	$50,000

Remember, only **booked** disbursement records are included in the Ending Cash Balance at the LOC.

GAME RECONCILIATION WORKSHEET

For Month Ending: 08/31/99

	SCHOOL'S BUSINESS OFFICE:		SCHOOL'S BOOKED DIRECT LOAN:		DIFFERENCE:		EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance		$0		$0		$0	
Drawdowns	$75,000		$75,000		$0		
Excess Cash Returned	$5,000		$5,000		$0		
Total Net Cash Receipts		$70,000		$70,000		$0	
Disbursements	$25,000		$25,000		$0		
Adjustments	($5,000)		($5,000)		$0		
Total Disbursed		$20,000		$20,000		$0	
Ending Cash Balance		$50,000		$50,000		$0	Timing: Drew down $50,000 on 8/31/99 and did not disburse funds.

BOOKED	SCHOOL'S BOOKED DIRECT LOAN:		LOC DLSAS:		DIFFERENCE:		EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance		$0		$0		$0	
Drawdowns	$75,000		$75,000		$0		
Excess Cash Returned	$5,000		$5,000		$0		
Total Net Cash Receipts		$70,000		$70,000		$0	
Disbursements	$25,000		$25,000		$0		
Adjustments	($5,000)		($5,000)		$0		
Total Disbursed		$20,000		$20,000		$0	
Ending Cash Balance		$50,000		$50,000		$0	See comments above.

UNBOOKED	SCHOOL'S UNBOOKED DIRECT LOAN:		LOC DLSAS:		DIFFERENCE:		EXPLAIN DIFFERENCES AND/OR REASONS FOR UNBOOKED:
Disbursements	$0		$0		$0		
Adjustments	$0		$0		$0		
Total Unbooked		$0		$0		$0	

SCHOOL BUSINESS OFFICE REPORT

Beginning Balance $50,000

For Month Ending 9/30/99

CARD #	DATE	DRAWDOWNS	EXCESS CASH	DISBURSEMENTS	ADJUSTMENTS
S-1	9/2/99			$45,000	
S-3	9/5/99		$5,000		
S-9	9/22/99	$20,000			
S-10	9/23/99			$20,000	
TOTALS		$20,000	$5,000	$65,000	$0

Beginning Balance	+	Draw-downs	-	Excess Cash	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
$50,000	+	$20,000	-	$5,000	-	$65,000	-	$0	=	$0

SCHOOL DIRECT LOAN REPORT

Beginning Balance $50,000 **For Month Ending** 9/30/99

CARD #	DATE	DISBURSEMENTS		ADJUSTMENTS	
		Unbooked	Booked	Unbooked	Booked
S-2	9/2/99	$45,000			
S-8	9/18/99	($35,000)	$35,000		
S-11	9/23/99	$20,000			
TOTALS		$30,000	$35,000	$0	$0

Beginning Balance	+	Draw-downs*	-	Excess Cash*	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
$50,000	+	$20,000	-	$5,000	-	$35,000	-	$0	=	$30,000

**Get Drawdown and Excess Cash totals from the Business Office Records to insert into the above equation.*

Remember, only **booked** disbursement records are included in the Ending Cash Balance at the LOC.

LOC REPORT—Cutting Edge Technical College Account

Beginning Balance $50,000 **For Month Ending** 9/30/99

CARD #	DATE	DRAWDOWNS	EXCESS CASH	DISBURSEMENTS Unbooked	DISBURSEMENTS Booked	ADJUSTMENTS Unbooked	ADJUSTMENTS Booked
S-3	9/10/99		$5,000				
S-6	9/18/99			$10,000	$35,000		
TOTALS		$0	$5,000	$10,000	$35,000	$0	$0

Beginning Balance	+	Draw-downs	-	Excess Cash	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
$50,000	+	$0	-	$5,000	-	$35,000	-	$0	=	$10,000

Remember, only **booked** disbursement records are included in the Ending Cash Balance at the LOC.

GAME RECONCILIATION WORKSHEET

For Month Ending: 09/30/99

	SCHOOL'S BUSINESS OFFICE:		SCHOOL'S BOOKED DIRECT LOAN:		DIFFERENCE:		EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance		$50,000		$50,000		$0	Resolved: Disbursed $45,000 on 9/2/99 and sent back $5,000 in excess.
Drawdowns	$20,000		$20,000		$0		
Excess Cash Returned	$5,000		$5,000		$0		
Total Net Cash Receipts		$15,000		$15,000		$0	
Disbursements	$65,000		$35,000		$30,000		
Adjustments	$0		$0		$0		
Total Disbursed		$65,000		$35,000		$30,000	$10,000 remain unbooked due to missing p-notes at LOC–sent p-notes on 9/30/99.
Ending Cash Balance		$0		$30,000		$30,000	$20,000 of disbursements credited on 9/23/99 were not sent to LOC.

BOOKED	SCHOOL'S BOOKED DIRECT LOAN:		LOC DLSAS:		DIFFERENCE:		EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance		$50,000		$50,000		$0	
Drawdowns	$20,000		$0		$20,000		9/22/99 drawdown of $20,000 recorded in wrong year (98-99) at LOC.
Excess Cash Returned	$5,000		$5,000		$0		
Total Net Cash Receipts		$15,000		($5,000)		$20,000	
Disbursements	$35,000		$35,000		$0		
Adjustments	$0		$0		$0		
Total Disbursed		$35,000		$35,000		$0	
Ending Cash Balance		$30,000		$10,000		$20,000	

UNBOOKED	SCHOOL'S UNBOOKED DIRECT LOAN:		LOC DLSAS:		DIFFERENCE:		EXPLAIN DIFFERENCES AND/OR REASONS FOR UNBOOKED:
Disbursements	$30,000		$10,000		$20,000		$20,000 of disbursements were not sent.
Adjustments	$0		$0		$0		
Total Unbooked		$30,000		$10,000		$20,000	$10,000 are unbooked due to missing p-notes

BOOKED DATE vs. DISBURSEMENT ACKNOWLEDGEMENT DATE SCENARIOS (Session 4, Page 17)

Scenario 1: A school receives an accepted origination acknowledgement on 9/1/99. The school sends a promissory note to the LOC on 9/15/99. The LOC accepts the promissory note on 9/20/99. The school imports the promissory note acknowledgement. The school sends the first disbursement on 9/25/99. The LOC accepts the disbursement on 9/26/99.

Question 1. What is the Acknowledgement Date for the first disbursement? ***9/26/99***

Question 2. What is the Booked Date for the first disbursement? ***9/26/99***

Question 3. On what month's DLSAS will the first disbursement be reported? ***September***

Scenario 2: A school receives an accepted origination acknowledgement on 9/25/99. The school mails a signed promissory note to the LOC on 9/29/99. The school disburses the first disbursement on this same day and transmits it immediately. The LOC receives the disbursement file on 9/30/99 and accepts it that same day. The LOC does not receive the promissory note until 10/3/99. It is accepted on 10/3/99.

Question 1. What is the Acknowledgement Date for the first disbursement? ***9/30/99***

Question 2. What is the Booked Date for the first disbursement? ***10/3/99***

Question 3. On what month's DLSAS will the first disbursement be reported?
September as Unbooked ***October as Booked***

Scenario 3: Using the information in Scenario 2, the school sends a second disbursement on 12/1/99 and receives an accepted disbursement acknowledgement on 12/2/99.

Question 1. What is the Acknowledgement Date for the second disbursement? ***12/2/99***

Question 2. What is the Booked Date for the second disbursement? ***12/2/99***

Question 3. On what month's DLSAS will the second disbursement be reported?
December

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SCHOOL BUSINESS OFFICE REPORT

Beginning Balance $0 For Month Ending 10/31/99

CARD #	DATE	DRAWDOWNS	EXCESS CASH	DISBURSEMENTS	ADJUSTMENTS
O-10	10/13/99	$15,000			
O-11	10/15/99			$15,000	
O-13	10/22/99	$40,000			
O-14	10/24/99			$40,000	
TOTALS		$55,000	$0	$55,000	$0

Beginning Balance	+	Draw-downs	-	Excess Cash	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
$0	+	$55,000	-	$0	-	$55,000	-	$0	=	$0

TRIPLE PLAY—MONTH 3
(Session 5, Page 17)

SCHOOL DIRECT LOAN REPORT

Beginning Balance $30,000 **For Month Ending** 10/31/99

CARD #	DATE	DISBURSEMENTS		ADJUSTMENTS	
		Unbooked	Booked	Unbooked	Booked
O-3	10/2/99		$10,000		
O-8	10/6/99	$15,000	$5,000		
O-15	10/24/99	$40,000			
TOTALS		$55,000	$15,000	$0	$0

Beginning Balance	+	Draw-downs*	-	Excess Cash*	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
$30,000	+	$55,000	-	$0	-	$15,000	-	$0	=	$70,000

Get Drawdown and Excess Cash totals from the Business Office Records to insert into the above equation.

Remember, only **booked** disbursement records are included in the Ending Cash Balance at the LOC.

LOC REPORT—Cutting Edge Technical College Account

Beginning Balance $10,000 For Month Ending 10/31/99

CARD #	DATE	DRAWDOWNS	EXCESS CASH	DISBURSEMENTS		ADJUSTMENTS	
				Unbooked	Booked	Unbooked	Booked
O-1	10/2/99				$10,000		
O-4	9/22/99	$20,000					
O-6	10/6/99				$5,000		
O-10	10/13/99	$15,000					
O-13	10/22/99	$40,000					
O-17	10/29/99				$40,000		
TOTALS		$75,000	$0	$0	$55,000	$0	$0

Beginning Balance	+	Draw-downs	-	Excess Cash	-	Disburse-ments	-	Net Adjustments	=	Ending Cash Balance
$10,000	+	$75,000	-	$0	-	$55,000	-	$0	=	$30,000

Remember, only **booked** disbursement records are included in the Ending Cash Balance at the LOC.

GAME RECONCILIATION WORKSHEET

For Month Ending: 10/31/99

	SCHOOL'S BUSINESS OFFICE:	SCHOOL'S BOOKED DIRECT LOAN:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance	$0	$30,000	$30,000	Resolved: On 10/2/99 booked $10,000 of disbursements that had missing p-notes. $20,000 of disbursements from 9/23/99 were sent to LOC–$5,000 booked and $15,000 rejected due to wrong loan period.
Drawdowns	$55,000	$55,000	$0	
Excess Cash Returned	$0	$0	$0	
Total Net Cash Receipts	$55,000	$55,000	$0	
Disbursements	$55,000	$15,000	$40,000	$15,000 of disbursements were recorded on 10/15/99 in the Bus. Off. but not in school's DL System.
Adjustments	$0	$0	$0	
Total Disbursed	$55,000	$15,000	$40,000	
Ending Cash Balance	$0	$70,000	$70,000	$40,000 of disbursements from 10/24/99 remain unbooked in school's DL System.

BOOKED	SCHOOL'S BOOKED DIRECT LOAN:	LOC DLSAS:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR ECB:
Beginning Balance	$30,000	$10,000	$20,000	Resolved: On 10/2/99 booked $10,000 that had missing p-notes. Resolved: $20,000 drawdown from 9/22/99 was added to LOC for allocation to wrong year in Sept.
Drawdowns	$55,000	$75,000	$20,000	
Excess Cash Returned	$0	$0	$0	
Total Net Cash Receipts	$55,000	$75,000	$20,000	
Disbursements	$15,000	$55,000	$40,000	
Adjustments	$0	$0	$0	
Total Disbursed	$15,000	$55,000	$40,000	
Ending Cash Balance	$70,000	$30,000	$40,000	$40,000 is booked at LOC on 10/29/99 but but acknowledgement was not pulled in on school's DL System.

UNBOOKED	SCHOOL'S UNBOOKED DIRECT LOAN:	LOC DLSAS:	DIFFERENCE:	EXPLAIN DIFFERENCES AND/OR REASONS FOR UNBOOKED:
Disbursements	$55,000	$0	$55,000	$40,000 is booked at LOC but not booked in school's DL System.
Adjustments	$0	$0	$0	
Total Unbooked	$55,000	$0	$55,000	$15,000 is unbooked at school and rejected at LOC due to wrong loan periods.

CASE STUDY RECONCILIATION WORKSHEET (SEPTEMBER)

For Month Ending: 9/30/99

A.		1 BUSINESS OFFICE				2 DL SYSTEM				3 DIFFERENCE			
		This Month		Year-to-Date		This Month		Year-to-Date		This Month		Year-to-Date	
	Beginning Balance		$0		$0		$0		$0		$0		$0
	Credit (Cash Receipt)	$153,246		$153,246		$0		$0		$0		$0	
	Debit (Excess Cash)	$28,829		$28,829		$0		$0		$0		$0	
	Net Cash Receipts		$124,417		$124,417		$124,417		$124,417		$0		$0
	Credit (Adj Down)	$13,408		$13,408		$15,428		$15,428		$0		$0	
	Debit (Disb + Adj Up)	$137,825		$137,825		$139,845		$139,845		$0		$0	
	Net Disbursed		($124,417)		($124,417)		($124,417)		($124,417)		$0		$0
	Ending Cash Balance		$0		$0		$0		$0		$0		$0

B.		4 DL SYSTEM		5 LOC DLSAS		6 DIFFERENCE	
	Beginning Balance		$0		$139,745		($139,745)
	Drawdowns	$153,246		$13,501		$0	
	Excess Cash Returned	$28,829		$28,829		$0	
	Total Net Cash Receipts		$124,417		($15,328)		$139,745
Booked This Month	Disbursements	$114,724		$114,724		$0	
	Adjustments	$0		($13,408)		$13,408	
	Cancellations	$0		$0		$0	
	Total Disbursed		$114,724		$101,316		$13,408
	Ending Cash Balance		$9,693		$23,101		($13,408)
Unbooked Y-T-D	Disbursements	$23,101		$0		$23,101	
	Adjustments	($13,408)		$0		($13,408)	
	Cancellations	$0		$0		$0	
	Total Unbooked		$9,693		$0		$9,693
	Adjusted Ending Balance		$0		$23,101		($3,715)

Via import this moves from unbooked to booked

Changes when batch imports

CASE STUDY RECONCILIATION WORKSHEET (OCTOBER)

For Month Ending: 10/31/99

A.		1 BUSINESS OFFICE				2 DL SYSTEM				3 DIFFERENCE			
		This Month		Year-to-Date		This Month		Year-to-Date		This Month		Year-to-Date	
	Beginning Balance		$0		$0		$0		$0		$0		$0
	Credit (Cash Receipt)	$26,766		$180,012		$0		$0		$0		$0	
	Debit (Excess Cash)	$11,681		$40,510		$0		$0		$0		$0	
	Net Cash Receipts		$15,085		$139,502		$15,085		$139,502		$0		$0
	Credit (Adj Down)	$11,681		$25,089		$12,100		$27,528		$0		$0	
	Debit (Disb + Adj Up)	$26,766		$164,591		$27,185		$167,030		$0		$0	
	Net Disbursed		($15,085)		($139,502)		($15,085)		($139,502)		$0		$0
	Ending Cash Balance		$0		$0		$0		$0		$0		$0

B.		4 DL SYSTEM		5 LOC DLSAS		6 DIFFERENCE	
	Beginning Balance		$23,101		$23,101		$0
	Drawdowns	$26,766		$26,766		$0	
	Excess Cash Returned	$11,681		$11,681		$0	
	Total Net Cash Receipts		$15,085		$15,085		$0
Booked This Month	Disbursements	$40,267		$40,267		$0	
	Adjustments	($11,681)		($11,681)		$0	
	Cancellations	$0		$0		$0	
	Total Disbursed		$28,586		$28,586		$0
	Ending Cash Balance		$9,600		$9,600		$0
Unbooked Y-T-D	Disbursements	$9,600		$0		$9,600	
	Adjustments	$0		$0		$0	
	Cancellations	$0		$0		$0	
	Total Unbooked		$9,600		$0		$9,600
	Adjusted Ending Balance		$0		$9,600		($9,600)

IDLE CASH SCENARIOS (Appendix B, Page 5)

Sheila receives a loan disbursement but decides to return a portion of the disbursement the next week because she doesn't need it. What does the school do with this idle cash?

Scenario 1: The school leaves the funds in its Title IV account and does not send them as a prepayment to the Direct Loan Servicing Center.

Question 1. Should the school adjust the disbursement **downward** on the school's Direct Loan System? ***YES***

Question 2. Should the school send idle funds to the **LOC** within 7 days?

A. Option 1/Standard schools: ***YES—funds are borrower specific***

B. Option 2 schools: ***DEPENDS—can return the funds or disburse the funds to another eligible student***

Scenario 2: The school sends a check with borrower information to the Direct Loan Servicing Center as a prepayment on Sheila's loan.

Question 1. Should the school adjust the loan record in the school's Direct Loan System? ***NO***

Question 2. Should the school send money to the LOC? ***NO***

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120-DAY RULE SCENARIOS (Appendix B, Page 6)

Scenario 1A: Carlos receives a loan disbursement but decides to return a portion of the disbursement to the school within 120 days of disbursement because he doesn't need it.

Question 1. Should the school adjust the loan in its Direct Loan System? ***YES***

Question 2. Should the school send unused funds to the LOC? ***YES***

Question 3. Should the student be charged interest and origination fees? ***NO***

Scenario 1B: Linda receives a loan disbursement but decides to return a portion of the disbursement to the school more than 120 days after disbursement because she doesn't need it.

Question 1. Should the school adjust the loan in its Direct Loan System? ***NO***

Question 2. Should the school send unused funds to the LOC? ***NO***

Question 3. Should the student be charged interest and origination fees? ***YES***

Scenario 2: The school calculates a refund for Daryl. More than 120 days have passed since the loan was disbursed to him.

Question 1. Should the school adjust the loan in its Direct Loan System? ***YES***

Question 2. Should the school send unused funds to the LOC? ***YES***

Question 3. Should the student be charged interest and origination fees? ***NO***

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